



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

April 22, 2008

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE THREE CONSTRUCTION CONTRACTS AND TWO ENVIRONMENTAL
ASSESSMENT AND REMEDIATION AGREEMENTS FOR MODERNIZATION
OF EIGHT ELEVATORS AT THREE HOUSING AUTHORITY
SENIOR HOUSING DEVELOPMENTS (2,3)
(3 VOTE)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the approval of construction contracts and environmental assessment and remediation agreements for modernization of eight elevators at South Bay Gardens located in the unincorporated area of Los Angeles County, Marina Manor I and II located in Marina Del Rey, and Palm Apartments located in West Hollywood is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Executive Director to execute three construction contracts (Contracts) in the aggregate amount of \$2,273,000, in substantially the form of the attached, and all related documents, with ML Construction, to modernize eight elevators at the following three senior housing developments: South Bay Gardens located in the unincorporated area of Los Angeles County, Marina Manor I and II located in Marina Del Rey, and Palm Apartments located in West Hollywood, to be effective following execution by all parties and the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.



3. Approve and authorize the Executive Director to execute two environmental assessment and remediation agreements (Agreements) in the aggregate amount of \$160,000, in substantially the form of the attached, and all related documents, with Rincon Consultants, Inc., for environmental assessment services related to the modernization of six elevators at the following two senior housing developments: Marina Manor I and II and Palm Apartments, to be effective following execution by all parties and the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
4. Authorize the Executive Director to use a maximum aggregate amount of \$2,433,000 in Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) for the purposes described herein, and authorize the Executive Director to approve Contract change orders not to exceed \$486,600 for unforeseen project costs, using the same source of funds.
5. Authorize the Executive Director to incorporate up to \$2,919,600 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award three Contracts for the modernization of eight elevators at three senior housing developments at South Bay Gardens in the unincorporated area of Los Angeles County, Marina Manor I and II in Marina Del Rey, and Palm Apartments in West Hollywood, and to award two Agreements for environmental assessment and remediation services related to the modernization of six elevators located at Marina Manor I and II and Palm Apartments.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Housing Authority will fund the elevator modernization project with \$2,433,000 in CFP funds allocated by HUD. A 20% contingency, in the amount of \$486,600, is also being set aside for unforeseen costs, using the same source of funds. A total of up to \$2,919,600 in CFP funds will be incorporated into the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The eight elevators at the three senior housing developments are original to each of the buildings. The three-story, 100-unit South Bay Gardens senior housing development

was built in 1982 and has two elevators. The four-story, 71-unit Marina Manor I, and eight-story, 112-unit Marina Manor II, were built in 1983 and have a total of four elevators. The five-story, 127-unit Palm Apartments was built in 1978 and has two elevators.

The conditions of the eight elevators are as follows:

- South Bay Gardens: Both elevators show deterioration, corrosion and severe need of controls modernization; the door operation and floor-to-floor performance is very poor, and the elevator pits are prone to water seepage because the waterproofing of the walls has been compromised due to age.
- Marina Manor I: One of the two elevators is out of service due to an oil leakage from the hydraulic cylinder assembly; there is a need of controls modernization, and the door operation and floor-to-floor performance of the second elevator is very poor.
- Marina Manor II: There is a need of controls modernization; and the door operation and floor-to-floor performance is very poor in both elevators.
- Palm Apartments: One of the two elevators is out of service due to an oil leakage from the hydraulic cylinder assembly; there is a need of controls modernization, and the door operation and floor-to-floor performance of both elevator is very poor.

The existing conditions could result in closure of the elevators. This would place an immediate and substantial hardship on many of the senior and disabled residents who would have difficulty using the stairs to get to their units, resulting in their temporary relocation until the elevators could be replaced. Additionally, all three sites have high water tables, and leaking hydraulic fluid in the elevator shafts could contaminate groundwater.

For these reasons, the Housing Authority determined that the situation is urgent, and that an elevator construction contractor needed to be procured to modernize the elevators. In order to meet residents' needs, eliminate potential risks, and avoid relocation costs, Housing Authority staff has determined that regular procurement requirements be set aside and that contracts for the consecutive modernization of the elevators be executed as quickly as possible.

The Housing Authority selected contractors to accomplish these tasks based on past performance and ability to perform the required tasks immediately. Selection of these contractors conforms to the Housing Authority's guidelines for non-competitive procurement.

It is anticipated that the project will be completed within 180 calendar days following the Notice to Proceed.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, the Contractors will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The three Contracts and two Agreements have been approved as to form by County Counsel. At its April meeting, the Housing Commission will consider recommending approval of award of the three Contracts and two Agreements.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 and 15330 because it does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

Due to the urgent nature of this project, the Housing Authority followed its procurement policy as it relates to noncompetitive proposals. In this case, a contract may be awarded by noncompetitive proposals because the present situation, which arose by reason of equipment failure, seriously threatens the public safety and endangers property. In addition, there is an immediate and serious need for contractual services, which cannot be met by regular procurement procedures.

The Housing Authority referred to its list of eligible contractors for firms available to perform this work immediately. The Housing Authority will execute three Contracts with ML Construction for the construction-related work at all three senior housing developments.

The Housing Authority will execute two Agreements with Rincon Consultants, Inc. for environmental assessment and remediation services at Marina Manor I and II and Palm Apartments, if additional environmental assessment services are required and/or environmental contamination is discovered during the assessment.

ML Construction was selected because the firm's equipment delivery time is nearly three months faster than the other firms contacted. Both contractors are fully qualified to perform the work required, and are available to begin immediately following Board approval.

IMPACT ON CURRENT PROJECT:

The award of the three Contracts and two Agreements will provide for the modernization of eight elevators at three senior housing developments.

Respectfully submitted,


for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

SOLE SOURCE CHECKLIST

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
✓	➤ Other reason. Please explain: Liability to Housing Authority if hydraulic fluid leaks into groundwater. Risk of second elevator shutting down, requiring relocation of all residents at substantial cost. Contractor has expertise in elevator modernization. Six month time savings vs. standard procurement, and three months vs. sole source with another firm.

Bobbette A. Glover
Assistant Executive Director, Housing Authority

4/10/08
Date

Lyni Muehan
Deputy Chief Executive Officer, CEO

4/10/08
Date

Contract Summary

Project Name: Elevator modernization
Locations: South Bay Gardens, 230 East 130th Street, unincorporated Los Angeles County
Marina Manor I and II, 3401 & 3405 Via Dolce, Marina Del Rey
Palm Apartments, 959 North Palm Avenue, West Hollywood
Bid Number: Not Applicable
Bid Date: Not Applicable
Contractors: ML Construction and Rincon Consultants, Inc.
Services: Construction services and environmental assessment and remediation services for elevator modernization

Construction Contract Documents: Part A – Instructions to Bidders and General Conditions, Part B – Specifications, Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder

Agreement Documents: Attachment A – Billing Rates and Attachment B - Safely Surrendered Baby Law and Poster

Time of Commencement: The work shall commence following receipt of written Notices to Proceed from the Housing Authority.

Aggregate Contract Sum: The Housing Authority shall pay ML Construction for the performance of the construction contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Two Million Two Hundred Seventy-Three Thousand Dollars and Zero Cents (\$2,273,000)**, and shall pay Rincon Consultants, Inc., for the environmental assessment and remediation services contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **One Hundred Sixty Thousand Dollars and Zero Cents (\$160,000.00)**.

Contract Contingency: **ML Construction - \$454,000.00**
 Rincon Consultants, Inc. - \$32,000.00

**HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

FOR

**MARINA MANOR I AND II SENIOR HOUSING
ELEVATORS MODERNIZATION PROJECT**

3401 VIA DOLCE, MARINA DEL REY, CA 90292

**HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this ____ day of _____ 2008 by and between the **Housing Authority** of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "**Authority**" or the "**Owner**", and M.L. Construction, hereinafter referred to as the "**Contractor**".

WITNESSETH, that the Owner and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The Authority is the Owner of that certain real property, commonly known as Marina Manor I and II housing development at 3401 Via Dolce, Marina Del Rey, California 90292, hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- C. Owner desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1
THE CONSTRUCTION CONTRACT

- 1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Instructions to Bidders and General Conditions
PART B	Specifications
PART C	Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder
Any addenda to the above Contract Documents	

ARTICLE 2
STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the Authority's Executive Director, all work described in the Contract Documents hereinbefore mentioned.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project. All such Work shall be in strict accordance with the Specifications and Drawings, identified and prepared by the IDS Group Inc.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Owner does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Property which are reasonably necessary to apprise him/herself of the condition of the Property. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/herself, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3
TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within Two Hundred Forty (240) calendar days following the required commencement date.
- 3.2 The Contractor and the Owner agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Owner the sum of One Thousand Dollars (\$1,000.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Owner may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor under payments.

ARTICLE 4
CONTRACT SUM

- 4.1 The Owner shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **ONE MILLION THREE HUNDRED ONE THOUSAND DOLLARS AND ZERO CENTS (\$1,301,000.00)**. The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the current Prevailing Wage Determination published by the Department of Labor.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

- 4.2 The Contract Sum is not subject to escalation, the Contractor having satisfied himself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.
- 4.3 The Owner's obligation is payable only and solely from funds appropriated from the United States Department of Housing and Urban Development (HUD) and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.4 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Owner will notify the Contractor in writing in ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5 PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the Owner, and after approval by the Construction Management Division, the Owner shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.
- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Owner on or before the first working day of the month. Payment shall be subject to all provisions of Section 01003 paragraphs 3.03.A. and B. of the Instructions to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Housing Authority before the start of construction. The Contractor shall submit to the Housing Authority all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Housing Authority all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this contract and entitles the Housing Authority to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this contract which may result in the Housing Authority terminating the contract for default.

ARTICLE 6 PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the Owner shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and the Owner shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Owner shall cause the Notice of Completion to be recorded with the County Recorder.

- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Owner pursuant to Section 01003 paragraph 3.03.E. of the Instruction to Bidders, less any amounts which Owner is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor under-payments, and less the ten percent (10%) retention withheld, pursuant to Section 01003 paragraph 3.03.F. of the Instruction to Bidders.
- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when Owner has received the following:
- A. A Certificate of Completion, executed by Owner.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all sub-contractors, and the Contractor's Certificate and Release.
 - D. Verification from the Housing Authority that the Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Owner may remove such items, and the Contractor shall pay the Owner for all cost incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Owner shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which the Owner is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7

BREACH AND TERMINATION

- 7.1 Waiver by the Owner of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective work or improper materials.
- 7.2 In addition to any right of termination reserved to the Owner by Section 01003 paragraph 3.10.A. of the Instruction to Bidders of the Construction Contract, the Owner may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt

payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.

- 7.3 The Owner shall give the Contractor and his surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section 01003 paragraph 3.10.A. of the Instruction to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Owner may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.
- 7.4 The Owner shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.
- 7.5 Termination for Cause: This Contract may be terminated by the Authority upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and work items) with no penalties upon termination or upon the occurrence of any of the following events:
- A. Continuing failure of the Contractor to perform any work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Authority within the time specified in such notices, the Authority shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
 - B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Authority may immediately terminate this Contract.
 - C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
 - D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
 - E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of

the covenants, agreements, or stipulations of this Contract, the Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Authority become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

- 7.6 Termination for Improper Consideration: The Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor, to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Authority officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Authority officer or employee to solicit such improper consideration. The Report shall be made to the Authority's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

- 7.7 Termination for Convenience: The Authority reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.
- 7.8 The Authority's Quality Assurance Plan: The Authority will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Authority determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Authority and the Contractor. If improvement does not occur consistent with the corrective action measures, the Authority may terminate this Contract or pursue other penalties as specified in this Contract.
- 7.9 Non-payment after expiration or termination: Contractor shall have no claim against the Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Authority and shall immediately repay all such funds to the Authority. Payment by the Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the

Authority's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he shall promptly give notice in writing to the Owner of such variance.
- 8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or un-enforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.
- 8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of any differences between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

ARTICLE 9 CONTRACTOR APPROVAL

- 9.1 Contractor's Warranty of Adherence to Authority's Child Support Compliance Program
Contractor acknowledges that the Authority, has established a goal of ensuring that all individuals who benefit financially from County or Authority through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the Authority's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Construction Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

- 9.2 Termination For Breach of Warranty to Maintain Compliance with Authority's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.1, "Contractor's Warranty of Adherence to Authority's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to the Authority under any other provision of this Contract, failure to cure such default within ninety (90) days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Authority Board of Commissioners may terminate this Agreement pursuant to Paragraphs under 7.5.

9.3 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Authority's policy to encourage the Authority contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

- 10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.
- 10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.
- 10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
- 10.4 Contractor shall procure and maintain insurance at Contractor's expense for the duration of this Contract from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the Authority:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or it's equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/ Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

This insurance shall include, or separate insurance shall be secured with a minimum limit of one million dollars (\$1,000,000) to cover the defense of and liability for bodily

injury, disease or illness including death, or property damage arising in whole or in part out of the removal, repair, handling, or disposal of asbestos and/or lead containing materials.

- B. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto."

The Authority, the Community Development Commission of the County of Los Angeles ("Commission"), the County, and their officers, employees, agents and representatives shall be named as additional insureds.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or limits, except after thirty (30) days' prior written notice to the Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Authority.

Any self-insurance program of self-insured retention must be separately approved in writing by the Authority.

Contractor shall deliver to the Authority certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance hereunder. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Such insurance as required herein shall not be deemed to limit Contractor's liability under this Contract.

The Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the Authority's Risk Manager or designee.

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination/rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided to the agency contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his books, records, and accounts by the

contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of the contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Federal Prevailing Wage Requirements

This construction project is funded in whole or in part with Federal funds. Federal Labor Standard Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts (DBRA) will be enforced. The applicable wage determination for this project is General Wage Decision CA080033, Modification #4 - dated 03/07/2008.

Section 3 of the Housing and Community Development Act of 1968, as Amended

requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Lobbyist Ordinances

- A. Federal Lobbyist Requirements: The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that it is familiar with the Federal Lobbyist Requirements and that all persons and /or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

10.6 Access and Retention of Records

The Contractor shall provide access to the Authority, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five years after the grantee pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Authority, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Authority's interest and the interests of the third parties.

10.8 Indemnification

The Contractor agrees to indemnify, defend and save harmless the Authority, Commission, County, and their agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever including, but not limited to bodily injury, death, personal injury or property damage arising from or connected with the Contractor's services, including any Workers' Compensation suits, liability or expenses arising or connected with the Work or service rendered pursuant to this Contract.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Authority.

10.10 Assignment

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be

deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Authority.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Authority and the Authority holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Authority, or under Authority supervision or control. This Contract is by and between the Contractor and the Authority, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Authority and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The Authority shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Authority has actual knowledge of such injury or damage. Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Owner:

Housing Authority
Maria Badrakhan, Contracting Officer
2 Coral Circle
Monterey Park, CA 91755

Contractor:

M.L. Construction
Michael Leshinsky, Owner
7521 Hampton Ave., Ste. 311
W. Hollywood, CA 90046

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Authority and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Authority pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Authority under this Contract.

Professional Conduct: The Authority does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Authority will properly investigate all charges of harassment by residents,

employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The Authority will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

10.24 Contractor Responsibility and Debarment

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Authority to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that the Authority, acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding on the Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Contractor may have with the Authority.
- C. The Authority may debar a contractor if the Board of Commissioners finds, in its discretion, that the Contractor has done any of the following: (i) violated any term of a contract with the Authority, (ii) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (iii) committed an act or offense which indicates a lack of business integrity or business honesty, or (iv) made or submitted a false claim against the Authority or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the Authority will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a

recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. These terms shall also apply to subcontractors of the Authority contractors.

10.25 Compliance With Jury Service Program

1. Unless Contractor has demonstrated to the Authority's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Authority or a subcontract with an Authority contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Authority, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Authority under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Authority if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Authority may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Authority's satisfaction that Contractor either continues

to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, the Authority may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future the Authority contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of County's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Authority's policy to encourage all Authority Contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Contractor's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in Attachment C, the Authority seeks to ensure that all Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

10.29 Entire Contract

This Contract with attachments constitutes the entire understanding and agreement of the parties.

//

//

IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY

CONTRACTOR

M.L. CONSTRUCTION

CORPORATE AND POLITIC

License Number: 400324

By: _____

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR _____

Date: _____

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: _____

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR.

County Counsel

By: _____

Deputy

By: _____

MICHAEL LESHINSKY

Title: OWNER _____

Date: _____

By: _____

Title: _____

Date: _____

BUSINESS ADDRESS

7521 HAMPTON AVE., SUITE 311

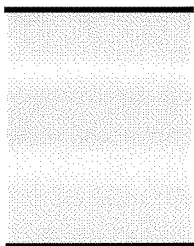
W. HOLLYWOOD, CALIFORNIA 90046

TELEPHONE: (323) 447-0844

FAX: (323) 962-5091

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

**HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

FOR

**SOUTHBAY GARDENS SENIOR HOUSING
DEVELOPMENT
ELEVATORS MODERNIZATION PROJECT**

**230 E. 130TH ST., LOS ANGELES
CALIFORNIA 90061**

**HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this ____ day of _____ 2008 by and between the **Housing Authority** of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "**Authority**" or the "**Owner**", and M.L. Construction, hereinafter referred to as the "**Contractor**".

WITNESSETH, that the Owner and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The Authority is the Owner of that certain real property, commonly known as Southbay Gardens senior housing development at 230 E. 130th St., Los Angeles,, California 90061, hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- C. Owner desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1
THE CONSTRUCTION CONTRACT

- 1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Instructions to Bidders and General Conditions
PART B	Specifications
PART C	Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder
Any addenda to the above Contract Documents	

ARTICLE 2
STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the Authority's Executive Director, all work described in the Contract Documents hereinbefore mentioned.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project. All such Work shall be in strict accordance with the Specifications and Drawings, identified and prepared by the IDS Group Inc.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Owner does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Property which are reasonably necessary to apprise him/herself of the condition of the Property. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/herself, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3
TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within Two Hundred Forty (240) calendar days following the required commencement date.
- 3.2 The Contractor and the Owner agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Owner the sum of One Thousand Dollars (\$1,000.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Owner may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor under payments.

ARTICLE 4
CONTRACT SUM

- 4.1 The Owner shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **THREE HUNDRED NINETY THOUSAND DOLLARS AND ZERO CENTS (\$390,000.00)**. The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the current Prevailing Wage Determination published by the Department of Labor.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

- 4.2 The Contract Sum is not subject to escalation, the Contractor having satisfied himself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.
- 4.3 The Owner's obligation is payable only and solely from funds appropriated from the United States Department of Housing and Urban Development (HUD) and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.4 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Owner will notify the Contractor in writing in ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5 PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the Owner, and after approval by the Construction Management Division, the Owner shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.
- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Owner on or before the first working day of the month. Payment shall be subject to all provisions of Section 01003 paragraphs 3.03.A. and B. of the Instructions to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Housing Authority before the start of construction. The Contractor shall submit to the Housing Authority all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Housing Authority all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this contract and entitles the Housing Authority to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this contract which may result in the Housing Authority terminating the contract for default.

ARTICLE 6 PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the Owner shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and the Owner shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Owner shall cause the Notice of Completion to be recorded with the County Recorder.

- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Owner pursuant to Section 01003 paragraph 3.03.E. of the Instruction to Bidders, less any amounts which Owner is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor under-payments, and less the ten percent (10%) retention withheld, pursuant to Section 01003 paragraph 3.03.F. of the Instruction to Bidders.
- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when Owner has received the following:
- A. A Certificate of Completion, executed by Owner.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all sub-contractors, and the Contractor's Certificate and Release.
 - D. Verification from the Housing Authority that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Owner may remove such items, and the Contractor shall pay the Owner for all cost incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Owner shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which the Owner is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7

BREACH AND TERMINATION

- 7.1 Waiver by the Owner of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective work or improper materials.
- 7.2 In addition to any right of termination reserved to the Owner by Section 01003 paragraph 3.10.A. of the Instruction to Bidders of the Construction Contract, the Owner may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt

payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.

- 7.3 The Owner shall give the Contractor and his surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section 01003 paragraph 3.10.A. of the Instruction to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Owner may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.
- 7.4 The Owner shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.
- 7.5 Termination for Cause: This Contract may be terminated by the Authority upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and work items) with no penalties upon termination or upon the occurrence of any of the following events:
- A. Continuing failure of the Contractor to perform any work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Authority within the time specified in such notices, the Authority shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
 - B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Authority may immediately terminate this Contract.
 - C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
 - D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
 - E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of

the covenants, agreements, or stipulations of this Contract, the Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Authority become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

- 7.6 Termination for Improper Consideration: The Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor, to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Authority officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Authority officer or employee to solicit such improper consideration. The Report shall be made to the Authority's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

- 7.7 Termination for Convenience: The Authority reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.
- 7.8 The Authority's Quality Assurance Plan: The Authority will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Authority determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Authority and the Contractor. If improvement does not occur consistent with the corrective action measures, the Authority may terminate this Contract or pursue other penalties as specified in this Contract.
- 7.9 Non-payment after expiration or termination: Contractor shall have no claim against the Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Authority and shall immediately repay all such funds to the Authority. Payment by the Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the

Authority's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he shall promptly give notice in writing to the Owner of such variance.
- 8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or un-enforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.
- 8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of any differences between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

ARTICLE 9 CONTRACTOR APPROVAL

- 9.1 Contractor's Warranty of Adherence to Authority's Child Support Compliance Program
Contractor acknowledges that the Authority, has established a goal of ensuring that all individuals who benefit financially from County or Authority through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the Authority's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Construction Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

- 9.2 Termination For Breach of Warranty to Maintain Compliance with Authority's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.1, "Contractor's Warranty of Adherence to Authority's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to the Authority under any other provision of this Contract, failure to cure such default within ninety (90) days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Authority Board of Commissioners may terminate this Agreement pursuant to Paragraphs under 7.5.

9.3 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Authority's policy to encourage the Authority contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

- 10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.
- 10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.
- 10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
- 10.4 Contractor shall procure and maintain insurance at Contractor's expense for the duration of this Contract from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the Authority:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or it's equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/ Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

This insurance shall include, or separate insurance shall be secured with a minimum limit of one million dollars (\$1,000,000) to cover the defense of and liability for bodily

injury, disease or illness including death, or property damage arising in whole or in part out of the removal, repair, handling, or disposal of asbestos and/or lead containing materials.

- B. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto."

The Authority, the Community Development Commission of the County of Los Angeles ("Commission"), the County, and their officers, employees, agents and representatives shall be named as additional insureds.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or limits, except after thirty (30) days' prior written notice to the Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Authority.

Any self-insurance program of self-insured retention must be separately approved in writing by the Authority.

Contractor shall deliver to the Authority certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance hereunder. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Such insurance as required herein shall not be deemed to limit Contractor's liability under this Contract.

The Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the Authority's Risk Manager or designee.

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination/rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided to the agency contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his books, records, and accounts by the

contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of the contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Federal Prevailing Wage Requirements

This construction project is funded in whole or in part with Federal funds. Federal Labor Standard Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts (DBRA) will be enforced. The applicable wage determination for this project is General Wage Decision CA080028, Modification #3 - dated 03/07/2008.

Section 3 of the Housing and Community Development Act of 1968, as Amended

requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Lobbyist Ordinances

- A. Federal Lobbyist Requirements: The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that it is familiar with the Federal Lobbyist Requirements and that all persons and /or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

10.6 Access and Retention of Records

The Contractor shall provide access to the Authority, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five years after the grantee pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Authority, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Authority's interest and the interests of the third parties.

10.8 Indemnification

The Contractor agrees to indemnify, defend and save harmless the Authority, Commission, County, and their agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever including, but not limited to bodily injury, death, personal injury or property damage arising from or connected with the Contractor's services, including any Workers' Compensation suits, liability or expenses arising or connected with the Work or service rendered pursuant to this Contract.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Authority.

10.10 Assignment

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be

deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Authority.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Authority and the Authority holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Authority, or under Authority supervision or control. This Contract is by and between the Contractor and the Authority, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Authority and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The Authority shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Authority has actual knowledge of such injury or damage. Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Owner:
Housing Authority
Maria Badrakhan, Contracting Officer
2 Coral Circle
Monterey Park, CA 91755

Contractor:
M.L. Construction
Michael Leshinsky, Owner
7521 Hampton Ave., Ste. 311
W. Hollywood, CA 90046

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Authority and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Authority pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Authority under this Contract.

Professional Conduct: The Authority does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Authority will properly investigate all charges of harassment by residents,

employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The Authority will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

10.24 Contractor Responsibility and Debarment

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Authority to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that the Authority, acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding on the Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Contractor may have with the Authority.
- C. The Authority may debar a contractor if the Board of Commissioners finds, in its discretion, that the Contractor has done any of the following: (i) violated any term of a contract with the Authority, (ii) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (iii) committed an act or offense which indicates a lack of business integrity or business honesty, or (iv) made or submitted a false claim against the Authority or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the Authority will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a

recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. These terms shall also apply to subcontractors of the Authority contractors.

10.25 Compliance With Jury Service Program

1. Unless Contractor has demonstrated to the Authority's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Authority or a subcontract with an Authority contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Authority, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Authority under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Authority if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Authority may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Authority's satisfaction that Contractor either continues

to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, the Authority may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future the Authority contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of County's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Authority's policy to encourage all Authority Contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Contractor's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in Attachment C, the Authority seeks to ensure that all Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

10.29 Entire Contract

This Contract with attachments constitutes the entire understanding and agreement of the parties.

//

//

IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY

CONTRACTOR

M.L. CONSTRUCTION

CORPORATE AND POLITIC

License Number: 400324

By: _____

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR _____

Date: _____

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: _____

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR.

County Counsel

By: _____

Deputy

By: _____

MICHAEL LESHINSKY

Title: OWNER _____

Date: _____

By: _____

Title: _____

Date: _____

BUSINESS ADDRESS

7521 HAMPTON AVE., SUITE 311

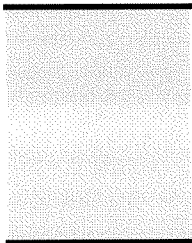
W. HOLLYWOOD, CALIFORNIA 90046

TELEPHONE: (323) 447-0844

FAX: (323) 962-5091

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

**HOUSING AUTHORITY
OF THE COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

FOR

**PALM SENIOR HOUSING DEVELOPMENT
ELEVATORS MODERNIZATION PROJECT**

**959 NORTH PALM AVENUE
WEST HOLLYWOOD, CA 90069**

**HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this ____ day of _____ 2008 by and between the **Housing Authority** of the County of Los Angeles, a body corporate and politic, hereinafter referred to as the "**Authority**" or the "**Owner**", and M.L. Construction, hereinafter referred to as the "**Contractor**".

WITNESSETH, that the Owner and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The Authority is the Owner of that certain real property, commonly known as Palm senior housing development at 959 North Palm Avenue, West Hollywood, California, 90069 hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- C. Owner desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1
THE CONSTRUCTION CONTRACT

- 1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Instructions to Bidders and General Conditions
PART B	Specifications
PART C	Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder

Any addenda to the above Contract Documents

ARTICLE 2
STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the Authority's Executive Director, all work described in the Contract Documents hereinbefore mentioned.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project. All such Work shall be in strict accordance with the Specifications and Drawings, identified and prepared by the IDS Group Inc.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but Owner does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Property which are reasonably necessary to apprise him/herself of the condition of the Property. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/herself, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3
TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within Two Hundred Forty (240) calendar days following the required commencement date.
- 3.2 The Contractor and the Owner agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Owner the sum of One Thousand Dollars (\$1,000.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The Owner may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor under payments.

ARTICLE 4
CONTRACT SUM

- 4.1 The Owner shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **FIVE HUNDRED EIGHTY TWO THOUSAND DOLLARS AND ZERO CENTS (\$582,000.00)**. The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the current Prevailing Wage Determination published by the Department of Labor.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

- 4.2 The Contract Sum is not subject to escalation, the Contractor having satisfied himself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.
- 4.3 The Owner's obligation is payable only and solely from funds appropriated from the United States Department of Housing and Urban Development (HUD) and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.4 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Owner will notify the Contractor in writing in ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5

PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the Owner, and after approval by the Construction Management Division, the Owner shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.
- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the Owner on or before the first working day of the month. Payment shall be subject to all provisions of Section 01003 paragraphs 3.03.A. and B. of the Instructions to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the Housing Authority before the start of construction. The Contractor shall submit to the Housing Authority all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the Housing Authority all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this contract and entitles the Housing Authority to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated, ongoing or flagrant failures by the contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this contract which may result in the Housing Authority terminating the contract for default.

ARTICLE 6

PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the Owner shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and the Owner shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The Owner shall cause the Notice of Completion to be recorded with the County Recorder.

- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the Owner pursuant to Section 01003 paragraph 3.03.E. of the Instruction to Bidders, less any amounts which Owner is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor under-payments, and less the ten percent (10%) retention withheld, pursuant to Section 01003 paragraph 3.03.F. of the Instruction to Bidders.
- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when Owner has received the following:
- A. A Certificate of Completion, executed by Owner.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all sub-contractors, and the Contractor's Certificate and Release.
 - D. Verification from the Housing Authority that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the Owner may remove such items, and the Contractor shall pay the Owner for all cost incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the Owner shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the ten percent (10%) retention, less any amounts which the Owner is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7

BREACH AND TERMINATION

- 7.1 Waiver by the Owner of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective work or improper materials.
- 7.2 In addition to any right of termination reserved to the Owner by Section 01003 paragraph 3.10.A. of the Instruction to Bidders of the Construction Contract, the Owner may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt

payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.

- 7.3 The Owner shall give the Contractor and his surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section 01003 paragraph 3.10.A. of the Instruction to Bidders, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the Owner may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.
- 7.4 The Owner shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.
- 7.5 Termination for Cause: This Contract may be terminated by the Authority upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and work items) with no penalties upon termination or upon the occurrence of any of the following events:
- A. Continuing failure of the Contractor to perform any work required to be performed hereunder in a timely and professional manner, or Contractor is not properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the Authority within the time specified in such notices, the Authority shall have the power to suspend the performance of this Contract by Contractor in whole or in part.
 - B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Authority may immediately terminate this Contract.
 - C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
 - D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
 - E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of

the covenants, agreements, or stipulations of this Contract, the Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Authority become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

- 7.6 Termination for Improper Consideration: The Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor, to proceed under this Construction Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any Authority officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by the Authority officer or employee to solicit such improper consideration. The Report shall be made to the Authority's Executive Director or designee.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

- 7.7 Termination for Convenience: The Authority reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.
- 7.8 The Authority's Quality Assurance Plan: The Authority will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the Authority determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Authority and the Contractor. If improvement does not occur consistent with the corrective action measures, the Authority may terminate this Contract or pursue other penalties as specified in this Contract.
- 7.9 Non-payment after expiration or termination: Contractor shall have no claim against the Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify the Authority and shall immediately repay all such funds to the Authority. Payment by the Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the

Authority's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he shall promptly give notice in writing to the Owner of such variance.
- 8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or un-enforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.
- 8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of any differences between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

ARTICLE 9 CONTRACTOR APPROVAL

- 9.1 Contractor's Warranty of Adherence to Authority's Child Support Compliance Program
Contractor acknowledges that the Authority, has established a goal of ensuring that all individuals who benefit financially from County or Authority through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the Authority's Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Construction Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

- 9.2 Termination For Breach of Warranty to Maintain Compliance with Authority's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.1, "Contractor's Warranty of Adherence to Authority's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to the Authority under any other provision of this Contract, failure to cure such default within ninety (90) days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Authority Board of Commissioners may terminate this Agreement pursuant to Paragraphs under 7.5.

9.3 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Authority's policy to encourage the Authority contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

- 10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.
- 10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.
- 10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
- 10.4 Contractor shall procure and maintain insurance at Contractor's expense for the duration of this Contract from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the Authority:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or it's equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/ Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

This insurance shall include, or separate insurance shall be secured with a minimum limit of one million dollars (\$1,000,000) to cover the defense of and liability for bodily

injury, disease or illness including death, or property damage arising in whole or in part out of the removal, repair, handling, or disposal of asbestos and/or lead containing materials.

- B. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto."

The Authority, the Community Development Commission of the County of Los Angeles ("Commission"), the County, and their officers, employees, agents and representatives shall be named as additional insureds.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or limits, except after thirty (30) days' prior written notice to the Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Authority.

Any self-insurance program of self-insured retention must be separately approved in writing by the Authority.

Contractor shall deliver to the Authority certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance hereunder. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Such insurance as required herein shall not be deemed to limit Contractor's liability under this Contract.

The Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the Authority's Risk Manager or designee.

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination/rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided to the agency contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his books, records, and accounts by the

contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of the contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Federal Prevailing Wage Requirements

This construction project is funded in whole or in part with Federal funds. Federal Labor Standard Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts (DBRA) will be enforced. The applicable wage determination for this project is General Wage Decision CA080028, Modification #3 - dated 03/07/2008.

Section 3 of the Housing and Community Development Act of 1968, as Amended

requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- A. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Lobbyist Ordinances

- A. Federal Lobbyist Requirements: The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that it is familiar with the Federal Lobbyist Requirements and that all persons and /or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

10.6 Access and Retention of Records

The Contractor shall provide access to the Authority, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five years after the grantee pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the Authority, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Authority's interest and the interests of the third parties.

10.8 Indemnification

The Contractor agrees to indemnify, defend and save harmless the Authority, Commission, County, and their agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever including, but not limited to bodily injury, death, personal injury or property damage arising from or connected with the Contractor's services, including any Workers' Compensation suits, liability or expenses arising or connected with the Work or service rendered pursuant to this Contract.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the Authority.

10.10 Assignment

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be

deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Authority.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the Authority and the Authority holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the Authority, or under Authority supervision or control. This Contract is by and between the Contractor and the Authority, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the Authority and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The Authority shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the Authority has actual knowledge of such injury or damage. Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

Owner:

Housing Authority
Maria Badrakhan, Contracting Officer
2 Coral Circle
Monterey Park, CA 91755

Contractor:

M.L. Construction
Michael Leshinsky, Owner
7521 Hampton Ave., Ste. 311
W. Hollywood, CA 90046

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. Authority and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the Authority pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Authority under this Contract.

Professional Conduct: The Authority does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Authority will properly investigate all charges of harassment by residents,

employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The Authority will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the project.

10.24 Contractor Responsibility and Debarment

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Authority to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that the Authority, acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding on the Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Contractor may have with the Authority.
- C. The Authority may debar a contractor if the Board of Commissioners finds, in its discretion, that the Contractor has done any of the following: (i) violated any term of a contract with the Authority, (ii) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (iii) committed an act or offense which indicates a lack of business integrity or business honesty, or (iv) made or submitted a false claim against the Authority or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the Authority will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a

recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. These terms shall also apply to subcontractors of the Authority contractors.

10.25 Compliance With Jury Service Program

1. Unless Contractor has demonstrated to the Authority's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Authority or a subcontract with an Authority contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Authority, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Authority under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the Authority if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Authority may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Authority's satisfaction that Contractor either continues

to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, the Authority may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future the Authority contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of County's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Authority's policy to encourage all Authority Contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Contractor's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in Attachment C, the Authority seeks to ensure that all Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

10.29 Entire Contract

This Contract with attachments constitutes the entire understanding and agreement of the parties.

//

//

IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY

CONTRACTOR

M.L. CONSTRUCTION

CORPORATE AND POLITIC

License Number: 400324

By: _____

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR _____

Date: _____

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: _____

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR.

County Counsel

By: _____

Deputy

By: _____

MICHAEL LESHINSKY

Title: OWNER _____

Date: _____

By: _____

Title: _____

Date: _____

BUSINESS ADDRESS

7521 HAMPTON AVE., SUITE 311

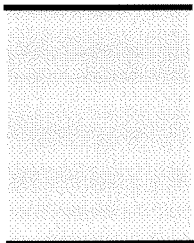
W. HOLLYWOOD, CALIFORNIA 90046

TELEPHONE: (323) 447-0844

FAX: (323) 962-5091

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

**ENVIRONMENTAL ASSESSMENT AND REMEDIATION AGREEMENT
FOR
MARINA MANOR I and II SENIOR HOUSING DEVELOPMENT
ELEVATORS PROJECT**

Agreement for Professional Services

Between

**The Housing Authority
of the County of Los Angeles**

And

RINCON CONSULTANTS, INC.

TABLE OF CONTENTS

SECTION 1.0 RECITAL	4
SECTION 2.0 PURPOSE	4
SECTION 3.0 TERM.....	4
SECTION 4.0 CONSULTANT RESPONSIBILITIES	4
SECTION 4.1 SCOPE OF WORK	4
SECTION 4.2 STANDARD OF CARE.....	5
SECTION 4.3 REPRODUCTION OF FINAL DOCUMENTS	5
SECTION 4.4 CHANGES REQUIRED	5
SECTION 4.5 PROJECT SCHEDULE	5
SECTION 5.0 CONSULTANT'S PERSONNEL AND SUB CONSULTANTS	6
SECTION 5.1 INDEPENDENT CONSULTANT	6
SECTION 5.2 SUCCESSOR AND ASSIGNMENT	6
SECTION 5.3 EMPLOYEES OF CONSULTANT	6
SECTION 5.4 SUBCONTRACTING.....	7
SECTION 6.0 RESPONSIBILITIES OF THE HOUSING AUTHORITY.....	7
SECTION 7.0 RELEASE OF NEWS INFORMATION	8
SECTION 8.0 CONFIDENTIALITY OF REPORTS.....	8
SECTION 9.0 COMPENSATION; AGREEMENT TYPE AND PAYMENT – NOT-TO-EXCEED	8
SECTION 10.0 COMPENSATION ADJUSTMENTS	8
SECTION 11.0 NOTICE TO PROCEED	9
SECTION 12.0 PAYMENT SCHEDULE	9
SECTION 13.0 SOURCE AND APPROPRIATION OF FUNDS.....	9
SECTION 14.0 CONFLICT OF INTEREST.....	9
SECTION 15.0 THE HOUSING AUTHORITY OWNERSHIP OF DOCUMENTS.....	10
SECTION 16.0 INDEMNIFICATION	10
SECTION 17.0 INSURANCE	10
SECTION 18.0 COMPLIANCE WITH LAWS.....	12
SECTION 19.0 SUSPENSION AND TERMINATION	13
SECTION 19.1 SUSPENSION	13
SECTION 19.2 TERMINATION FOR CONVENIENCE OF THE HOUSING AUTHORITY	14
SECTION 19.3 TERMINATION FOR CAUSE AND / OR DEFAULT	15
SECTION 19.4 TERMINATION FOR IMPROPER CONSIDERATION	16
SECTION 19.5 CONSULTANT RESPONSIBILITY AND DEBARMENT	16
SECTION 20.0 REMEDIES.....	17
SECTION 21.0 COMPLIANCE WITH JURY SERVICE PROGRAM.....	17

SECTION 22.0 CERTIFICATION REGARDING LOBBYING.....	18
SECTION 23.0 SAFETY STANDARDS AND ACCIDENT PREVENTION.....	19
SECTION 24.0 DRUG FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA.....	19
SECTION 25.0 SEVERABILITY	19
SECTION 26.0 INTERPRETATION	19
SECTION 27.0 WAIVER	19
SECTION 28.0 HOUSING AUTHORITY’S QUALITY ASSURANCE PLAN.....	20
SECTION 29.0 AGREEMENT EVALUATION AND REVIEW	20
SECTION 30.0 ADHERENCE TO THE HOUSING AUTHORITY’S CHILD SUPPORT COMPLIANCE PROGRAM 20	
SECTION 30.1 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH THE HOUSING AUTHORITY’S CHILD SUPPORT COMPLIANCE PROGRAM	21
SECTION 30.2 Post L.A.'s MOST WANTED PARENTS LIST.....	21
SECTION 31.0 ACCESS AND RETENTION OF RECORDS.....	21
SECTION 32.0 COPYRIGHT	21
SECTION 33.0 PATENT RIGHTS.....	21
SECTION 34.0 USE OF RECYCLED-CONTENT PAPER PRODUCTS.....	22
SECTION 35.0 NOTICES.....	22
SECTION 36.0 FEDERAL EARNED INCOME CREDIT	22
SECTION 37.0 GREATER AVENUES FOR INDEPENDENCE (GAIN) AND GENERAL RELIEF OPPORTUNITY FOR WORK (GROW).....	22
SECTION 38.0 SAFELY SURRENDERED BABY LAW	22
SECTION 39.0 CONFLICT OF INTEREST.....	23
SECTION 40.0 AMENDMENTS.....	23
SECTION 42.0 ENTIRE AGREEMENT	24
ATTACHMENT B – SAFELY SURRENDERED BABY LAW AND POSTER.....	26

Section 1.0 Recital

This Agreement is made and entered into this _____ day of April 2008 by and between the Housing Authority of the County of Los Angeles, hereinafter called "**Housing Authority**" and Rincon Consultants, Inc., hereinafter called "**Consultant**."

Section 2.0 Purpose

The purpose of this Agreement is to allow the Housing Authority to retain the services of this Consultant for environmental assessment, remediation and other related services in conjunction with the modernization of four elevators at the Marina Manor I and II Senior Housing Development as consultant to Housing Authority, Construction Management Division. The project is located at 3401 Via Dolce, Marina Del Rey, CA. 90292 in the unincorporated areas of Los Angeles County.

Section 3.0 Term

This Agreement shall commence as of the day and year first above written and shall remain in full force for a two (2) year duration, with the option to renew for one (1) additional year, unless sooner terminated or extended in writing as provided herein. A performance review shall be conducted no later than 90 days prior to the end of the first and second years of the agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, written notification will be given to the Consultant whether the agreement will be terminated at the end of the current year or will be continued into the next contract year.

Section 4.0 Consultant Responsibilities

Upon the request of the Housing Authority's Contracting Officer or designee, which may include the Director of the Construction Management Division, the Consultant shall complete the work program described in this Agreement. The Consultant agrees that all work performed by the Consultant will be the sole responsibility of the Consultant. The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its poor workmanship, including items which are not in compliance with federal, state, county or city laws, regulations and guidelines will be the sole responsibility of the Consultant.

Section 4.1 Scope of Work

The purpose of this Agreement is to allow the Owner to retain the services of the Consultant for the full range of environmental assessment, remediation and other related services described in this Agreement.

Section 4.2 Standard of Care

The Consultant represents, covenants, and agrees that all of the services to be furnished by the Consultant under or pursuant to this Agreement, from the inception of this Agreement until the Project has been fully completed, shall be of a standard and quality that prevails among highly qualified and competent environmental services in the Southern California area under the same or similar circumstances involving the design and construction of a project having characteristics that are similar to the Project (including without limitation, public nature, comparable scope, quality and schedule ["Professional Standard"]). Consultant accepts the special relationship of trust and confidence established between it and the Housing Authority by this Agreement. Consultant covenants to design the Project, produce the necessary Construction Documents, provide the necessary services, and to further the interests of the Housing Authority in accordance with the Housing Authority's requirements and procedures, and in compliance with all applicable restrictions, laws, codes, and regulations in effect throughout the period that Consultant is performing services under this Agreement.

The Consultant shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications, and other services furnished by the Consultant under this Agreement. The Consultant shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, and other services that do not meet the Professional Standard.

Section 4.3 Reproduction of Final Documents

The Consultant shall provide two (2) sets of blueprints, specifications, estimates, etc. when such documents are required, to the Housing Authority at all submittal phases including such sets as may be required for plan check agencies and (one) 1 complete set of approved, reproducible construction documents to be delivered for construction solicitation purposes. The cost of reproducing these documents is included in the Consultant's basic fee.

Section 4.4 Changes Required

The Consultant shall promptly make all changes in any construction solicitation documents produced by the Consultant necessary to obtain approval of any oversight agencies without additional compensation or reimbursement. The Consultant shall make all reasonably requested changes in the drawings and specifications based upon the Housing Authority's review of the progress submittals.

Section 4.5 Project Schedule

Consultant shall work in accordance with the Project Schedule established in the Notice to Proceed under this Agreement.

Section 5.0 Consultant's Personnel and Sub consultants

The Consultant's employees and subconsultants identified below are considered essential to the Agreement work effort. Prior to diverting or substituting any of the specified individuals, the Consultant shall notify the Contracting Officer reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the Agreement. The Consultant shall make no diversion or substitution of key personnel without the prior written consent of the Contracting Officer.

Employees: Rincon Consultants, Inc.

Walter Hamann, PG, CEG

Vice President, Environmental Services

Section 5.1 Independent Consultant

The Consultant shall perform the services as contained herein as an independent consultant and shall not be considered an employee of the Housing Authority or under the Housing Authority supervision or control. This Agreement is by and between the Consultant and the Housing Authority, and is not intended, and shall not be construed, to create the relationship of agent, employee, or joint venture, between the Housing Authority and the Consultant.

The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its negligence, including items that are not in compliance with federal, state, or local codes, regulations and laws, will be the sole responsibility of the Consultant.

If the Consultant is comprised of more than one legal entity, each such entity shall be jointly and severally liable and responsible hereunder.

Section 5.2 Successor and Assignment

The services as contained herein are to be rendered by the Consultant whose name is as appears first above written and said Consultant shall not assign nor transfer any interest in this Agreement without the prior written consent of the Housing Authority. However, the Housing Authority reserves the right to assign this Agreement to another public agency without the consent of the Consultant.

Section 5.3 Employees of Consultant

Workers' Compensation: Consultant understands and agrees that all persons furnishing services to the Housing Authority pursuant to this Agreement are, for the purpose of workers' compensation liability, employees solely of Consultant. Consultant shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Housing Authority under this Agreement.

Professional Conduct: The Housing Authority does not and will not condone any act, gestures, comments or conduct from the Consultant's employees, agents or sub consultants which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The Housing Authority will properly investigate all charges of harassment by residents, employees or agents of the Housing Authority against any and all Consultant's employees, agents or sub consultants providing services for the Housing Authority. The Consultant assumes all liability for the actions of the Consultant's employees, agents or sub consultants and is responsible for taking appropriate action after the Consultant receives reports of harassment.

Section 5.4 Subcontracting

The Consultant may subcontract only those specific portions of work allowed in the original specifications covered by this Agreement. The Consultant shall not subcontract any part of work covered by this Agreement or permit subcontracted work to be further subcontracted without prior written approval by the Housing Authority.

Section 6.0 Responsibilities of the Housing Authority

- a. The Housing Authority shall provide all necessary information regarding its requirements as expeditiously as necessary for the orderly progress of the work.
- b. The Housing Authority shall designate the representative authorized to act in its behalf with respect to the Project. The Housing Authority or its representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.
- c. Housing Authority's designated representative authorized to act in its behalf with respect to the Project shall be:

Maria Badrakhan, Contracting Officer
The Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

- d. The Housing Authority's representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.
- e. The Housing Authority shall provide the Consultant with any plans, publications, reports, statistics, records or other data or information pertinent to the services to be provided hereunder which are reasonably available to the Housing Authority. However, their accuracy cannot be guaranteed. These drawings, plans, publications, reports, statistics, records or other data or information supplied by the Housing Authority are the proprietary and confidential property of the Housing Authority and cannot be transferred or

used by the Consultant for any other purpose. The Consultant agrees to safeguard and return this property to the Housing Authority upon completion of the project.

- f. The Housing Authority shall also work with the Consultant to discover existing site conditions that may affect the order, progress, and cost of the work.
- g. The Housing Authority shall provide information on any previously obtained waivers of local codes, ordinances, or regulations or standards affecting the design of the Project.

Section 7.0 Release of News Information

No news releases, including photographs, public announcements or confirmation of same, of any part of the subject matter of this Agreement or any phase of any program hereunder shall be made without prior written approval of the Housing Authority's Executive Director or designee.

Section 8.0 Confidentiality of Reports

The Consultant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Housing Authority.

Section 9.0 Compensation; Agreement Type and Payment – not-to-exceed

The Consultant shall be paid as full compensation for the work required, performed, and accepted under this Agreement, inclusive of all costs and expenses, the maximum, not-to-exceed price of **EIGHTY THOUSAND DOLLARS AND ZERO CENTS \$80,000.00** as per the rates described in the Breakdown Fee Schedule, Attachment A, attached hereto and incorporated herein. These amounts include the cost of all services including those of the sub consultants identified in Section 5.0, above.

Additionally, any Agreement amendment or combination of amendments that might result in a total adjusted Agreement sum of Fifty Thousand Dollars (\$50,000) or above per calendar year must first be approved by the to the Board of Commissioners of the Housing Authority.

SECTION 10.0 Compensation Adjustments

There shall be no adjustments to compensation except as authorized by amendment as specified in Section 40.0, Amendments. Changes in compensation shall only be adjusted by amendment as a result of changes in the Scope of Work. All costs of the Work and other costs, fees, or expenses, of any kind, in excess of the compensation as specified in this Agreement, and as adjusted by amendment, shall be borne solely by Consultant, without reimbursement by the Housing Authority.

SECTION 11.0 Notice to Proceed

The Consultant will perform services for each phase upon receipt of a written Notice to Proceed from the Housing Authority. The Consultant will only perform the scope of work for the phase(s) identified in the Notice to Proceed.

Section 12.0 Payment Schedule

The Consultant shall submit invoices for compensation for each phase of the scope of services, in a format approved by Housing Authority, depicting a detailed, itemized list of actual work completed and total amount due, on a monthly basis. Said compensation shall be considered full and complete reimbursement for all of the Consultant's costs associated with the services provided hereunder, including all indirect costs, overhead, and insurance premiums.

Consultant shall have no claim against the Housing Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Consultant after the expiration or other termination of this Agreement. Should Consultant receive any such payment, it shall immediately notify the Housing Authority and shall immediately repay all such funds to the Housing Authority. Payment by the Housing Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the Housing Authority's right to recover such payment from Consultant.

Section 13.0 Source and Appropriation of Funds

The Housing Authority's obligation is payable only and solely from funds appropriated through the United States Department of Housing and Urban Development (HUD) and for the purpose of this Agreement. All funds are appropriated every fiscal year beginning July 1. In the event this Agreement extends into the succeeding fiscal year and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the current fiscal year. The Housing Authority will notify the Consultant in writing within ten days of receipt of non-appropriation notice. Consultant shall be entitled to payment for all work completed through date of receipt of said notice.

Section 14.0 Conflict of Interest

The Consultant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by Agreement, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any Agreement, subcontract or arrangement with the Housing Authority. Upon execution of this Agreement and during its term, as appropriate, the Consultant shall, upon written request, disclose in writing to the Housing Authority any other contractual or employment arrangement from which it receives compensation. The Consultant agrees not to accept any employment during the term of this Agreement by any other person, business or corporation which employment will or may likely

develop a conflict of interest between the Housing Authority's interests and the interest of third parties.

Section 15.0 The Housing Authority Ownership of Documents

All drawings and specifications prepared and furnished by the Consultant shall become the property of the Housing Authority upon their approval in writing by the Housing Authority or upon the prior termination of the Consultant's services hereunder, and the Consultant shall have no claim of any kind, including without limitation, for further employment or additional compensation as a result of exercise by the Housing Authority of its full rights of ownership and use of these documents and materials. The Consultant shall retain a record copy for its own files.

Section 16.0 Indemnification

Consultant shall indemnify, defend and hold harmless the Housing Authority of the County of Los Angeles ("Housing Authority"), the Community Development Commission of the County of Los Angeles (Commission) The County of Los Angeles ("County") and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Consultant's acts and/or omissions arising from and/or relating to this Agreement.

Section 17.0 Insurance

The Consultant shall procure and maintain at Consultant's expense for the duration of this Agreement the following insurance against which may arise from or in connection with the performance of the work by the consultant, its agents, representatives, employees or sub consultants, from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval in writing by the Housing Authority.

The consultant shall furnish the Housing Authority with certificates of insurance and with original endorsements affecting coverage as required herein and which reflect the Housing Authority of the County of Los Angeles, the Community Development Commission of the County of Los Angeles, The County of Los Angeles's status as additional insureds as required below. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

The Housing Authority of the County of Los Angeles, The Community Development Commission of the County of Los Angeles, The County of Los Angeles, their officials, agents, and employees shall be covered as additional insureds with respect to: liability arising out of activities performed by or on behalf of the consultant; products and completed operations of the consultant; premises owned, leased or used by the consultant.

- B. PROFESSIONAL LIABILITY INSURANCE (errors and omissions) in an amount not less than One Million Dollars (\$1,000,000) aggregate per claim.
- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each incident. Such insurance shall include coverage of all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto."
- D. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-policy limit	\$1,000,000
Disease-each employee	\$1,000,000

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, except after thirty (30) days' prior written notice to the Housing Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Housing Authority.

The Housing Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements here in shall only be made with the written approval of the Housing Authority's Risk Manager or designee.

Any self-insurance program and self-insured retention must be separately approved in writing by the Housing Authority.

All coverage for sub consultants shall be subject to the requirements stated herein and shall be maintained at no expense to the Authority.

Failure on the part of the Firm to procure or maintain insurance required by this Agreement shall constitute a material breach of Agreement upon which the Authority may immediately terminate this Agreement.

Section 18.0 Compliance with Laws

The Consultant agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Agreement is in excess of \$100,000 then Consultant shall comply with applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 18579h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Consultant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

During the performance of the Agreement, the Consultant agrees to comply with the following federal provisions:

Executive Order 11246 and 11375 Equal Opportunity (Non-Discrimination in Employment by Government Consultants, Sub consultants, and Consultants)

During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, religion, sex, color or national origin. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Consultant setting forth the provisions of this non-discrimination clause.

The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Consultant will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other Agreement or understanding, a notice, which is to be provided to the agency contracting officer, advising the labor union or worker's representative of the Consultant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Consultant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Consultant will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. In the event of the Consultant's noncompliance with the nondiscrimination clauses of the Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Consultant may be declared ineligible for further Government Agreements in accordance with procedures authorized in the Executive Order, and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Consultant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each sub consultant or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Consultant becomes involved in, or is threatened with litigation with a sub consultant or vendor as result of such direction by the contracting agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

Under Title VI of the Civil Rights Act of 1964, and Section 109 of the Housing and Community Development Act of 1974, no person shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 19.0 Suspension and Termination

Section 19.1 Suspension

19.1.1 The Housing Authority, at its convenience, and without further liability except as herein specified, may suspend this Agreement, in whole or in part, by written notice personally delivered to Consultant specifying the effective date and extent of the suspension.

- 19.1.2 Consultant shall immediately discontinue all services unless otherwise indicated by the Housing Authority Contracting Officer.
- 19.1.3 Upon request of the Housing Authority Contracting Officer, Consultant shall surrender within ten (10) days from receipt of said notice, all drawings, designs, specifications, notes, data, reports, estimates, summaries, or other information relative to the Project, whether complete or in progress, as may have been accumulated by Consultant.
- 19.1.4 In the event the entire Agreement is suspended, the Housing Authority shall pay Consultant reasonable demobilization expenses subject to the Housing Authority's rights of set-off, recoupment and withholding. Demobilization expenses are expenses directly attributable to temporarily suspending the work in progress, including the reasonable cost of suspending any commitments for services not yet complete. The Housing Authority shall not be liable for demobilization expenses if only a portion of the Agreement is suspended.
- 19.1.5 In the event the entire Agreement is suspended and Consultant is directed to remobilize within one calendar year of the effective date of the suspension, the Housing Authority shall pay remobilization expenses directly attributable to restarting services hereunder and, at Consultant's option, Consultant and the Housing Authority shall negotiate Consultant's fees for services remaining under this Agreement. If no agreement as to expenses and fees can be reached, this Agreement may be terminated for the Housing Authority's convenience.
- 19.1.6 In the event the entire Agreement is suspended and the period of suspension exceeds one calendar year, this Agreement may be deemed terminated for the convenience of the Housing Authority upon written notice to the Consultant.

Section 19.2 Termination for Convenience of the Housing Authority

- a. The Housing Authority reserves the right to cancel this Agreement in whole or in part for any reason at all upon ten (10) days prior written notice to Consultant. In the event of such termination, Consultant shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination. In no case shall payment exceed that amount stipulated elsewhere herein for completion of the respective portion or phase of the project. The Housing Authority will pay Consultant termination expenses subject to the Housing Authority's rights of recoupment, set-off and withholding.
- b. Consultant shall surrender and deliver to the Contracting Officer, to the extent requested by Contracting Officer, within ten (10) days from receipt of said

request all data, reports, estimates, summaries, designs, drawings, specifications, notes, and other work and data developed in the performance of this Agreement, whether complete or in process, as may have been accumulated by Consultant.

- c. The Housing Authority may take over the work and services, and prosecute the same to completion by Agreement or otherwise. Consultant shall not be liable to the Housing Authority for any excess costs incurred by the Housing Authority in completing the scope of work of this Agreement.
- d. Consultant shall assign the contracts of its consultants and/or their sub consultants to the Housing Authority, to the extent requested by the Housing Authority.

Section 19.3 Termination for Cause and / or Default

This Agreement may be terminated by the Housing Authority upon **10 days'** written notice to the Consultant for cause and/or default (failure to perform satisfactorily any of the Agreement terms, conditions and work items) with no penalties incurred upon termination or upon the occurrence of any of the following events:

- A. Continuing failure of the Consultant to perform any work required to be performed hereunder in a timely and professional manner, or Consultant is not properly carrying out the provisions of the Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Consultant; and should the Consultant neglect or refuse to provide a means for a satisfactory compliance with this Agreement and with the direction of the Housing Authority within the time specified in such notices, the Housing Authority shall have the power to suspend the performance of this Agreement by Consultant in whole or in part.
- B. Should the Consultant fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than five (5) days by the Consultant, then notice of deficiency thereof in writing may be served upon Consultant by the Housing Authority. Should the Consultant fail to comply with the terms of this Agreement within five (5) days thereafter, upon receipt of said written notice of deficiency, the Executive Director of the Housing Authority shall have the power to suspend or terminate the operations of the Consultant in whole or in part.
- C. Failure on the part of the Consultant to procure or maintain insurance required by this Agreement shall constitute a material breach of Agreement upon which the Housing Authority may immediately terminate this Agreement.
- D. In the event that a petition of bankruptcy shall be filed by or against the Consultant.

- E. If, through any cause, the Consultant shall fail to fulfill in timely and proper manner the obligations under this Agreement, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Agreement, the Housing Authority shall thereupon have the right to terminate this Agreement by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, with respect to all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Agreement, Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed, subject to the Housing Authority's rights of recoupment, cut-off, and withholding.

Section 19.4 Termination for Improper Consideration

The Housing Authority may, by written notice to Consultant, immediately terminate the right of Consultant to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Consultant, either directly or through an intermediary, to any Housing Authority officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Consultant's performance pursuant to the Agreement. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against Consultant as it could pursue in the event of termination for cause and / or default by the Consultant.

Consultant shall immediately report any attempt by the Housing Authority officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Housing Authority.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

Section 19.5 Consultant Responsibility and Debarment

A responsible Consultant is a Consultant who has demonstrated the attribute of trustworthiness, as well as fitness, capacity and experience to satisfactorily perform the Agreement. It is the policy of the Housing Authority to conduct business only with responsible consultants.

The Consultant is hereby notified that, if the Housing Authority acquires information concerning the performance of the Consultant on this or other Agreements which indicated that the Consultant is not responsible, the Housing Authority may, in addition to other remedies provided in the Agreement, debar the Consultant from bidding on Housing Authority contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Consultant may have with the Housing Authority.

The Housing Authority may debar a consultant if the Board of Commissioners finds, in its discretion, that the Consultant has done any of the following: (1) violated any term of a contract with the Housing Authority, (2) committed any act or omission which negatively reflects on the Consultant's quality, fitness or capacity to perform a contract with the Housing Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or the Housing Authority or any other public entity.

If there is evidence that the Consultant may be subject to debarment, the Housing Authority will notify the Consultant in writing of the evidence, which is the basis for the proposed debarment and will advise the Consultant of the scheduled date for a debarment hearing before the Consultant Hearing Board.

The Consultant hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Consultant and/or the Consultant's representative shall be given an opportunity to submit evidence at the hearing. After the hearing, the Consultant Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the consultant should be debarred, and, if so, the appropriate length of time of the debarment. If the Consultant fails to avail itself of the opportunity to submit evidence to the Consultant Hearing Board, the Consultant may be deemed to have waived all rights of appeal.

A record of the hearing, the proposed decision and any other recommendation of the Consultant hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board. These terms shall also apply to sub consultants of the Consultant.

Section 20.0 Remedies

- a. The rights and remedies of the Housing Authority provided for under this Agreement are in addition to any other rights and remedies provided by law.
- b. The Housing Authority may assert, either during or after performance of this Agreement any right of recovery it may have against Consultant by any means it deems appropriate including, but not limited to, set-off, action at law, withholding, recoupment, or counterclaim.
- c. The rights and remedies of the Housing Authority under this Agreement are in addition to any right or remedy provided by California law.

Section 21.0 Compliance with Jury Service Program

Unless Consultant has demonstrated to the Housing Authority's satisfaction either that Consultant is not a "Consultant" as defined under the Jury Service Program or that Consultant qualifies for an exception to the Jury Service Program, Consultant shall have and adhere to a written policy that provides that its employees shall receive from the

Consultant, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Consultant or that the Consultant deduct from the employee's regular pay the fees received for jury service.

For purposes of this Section, "Consultant" means a person, partnership, corporation or other entity which has a contract with the Housing Authority or a subcontract with a Housing Authority Consultant and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Housing Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Consultant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Housing Authority, or 2) Consultant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Consultant uses any sub consultant to perform services for the Housing Authority under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

If Consultant is not required to comply with the Jury Service Program when the Agreement commences, Consultant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Consultant shall immediately notify the Housing Authority if Consultant at any time either comes within the Jury Service Program's definition of "Consultant" or if Consultant no longer qualifies for an exception to the Program. In either event, Consultant shall immediately implement a written policy consistent with the Jury Service Program. The Housing Authority may also require, at any time during the Agreement and at its sole discretion, that Consultant demonstrate to the Housing Authority's satisfaction that Consultant either continues to remain outside of the Jury Service Program's definition of "Consultant" and/or that Consultant continues to qualify for an exception to the Program.

Consultant's violation of this Section of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, the Housing Authority may, in its sole discretion, terminate the Agreement and/or bar Consultant from the award of future Housing Authority contracts for a period of time consistent with the seriousness of the breach.

Section 22.0 Certification Regarding Lobbying

Consultant is prohibited by the Department of the Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 Code of the Federal Regulations (CFR) 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal agreement, the making of any

Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification of said documents.

The Consultant must certify in writing that it is familiar with the Federal Lobbyist Requirements and that all persons and/or sub consultants acting on behalf of the Consultant will comply with the Lobbyist Requirements. The signed County and Federal Lobbyist Certifications submitted with the Agreement are incorporated herein.

Failure on the part of the Consultant or persons/sub consultants acting on behalf of the Consultant to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

Section 23.0 Safety Standards and Accident Prevention

The Consultant shall comply with applicable Federal, state and local laws governing safety, health and sanitation. The Consultant shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

Section 24.0 Drug Free Workplace Act of the State of California

The Consultant certifies under penalty of perjury under the laws of the State of California that the Consultant will comply with the requirements of the Drug-Free Workplace Act of 1990.

Section 25.0 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

Section 26.0 Interpretation

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if it were drafted by both parties hereto.

Section 27.0 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

Neither the Housing Authority's review, approval or acceptance of, nor payment for, the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the Consultant shall be and remain liable to the Housing Authority in accordance with applicable law for all damages to Housing Authority caused by the Consultant's negligent performance of any of the services furnished under this Agreement.

Section 28.0 Housing Authority's Quality Assurance Plan

The Housing Authority or its agent will evaluate Consultant's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Consultant's compliance with all Agreement terms and performance standards. Consultant deficiencies which the Housing Authority determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Housing Authority and Consultant. If improvement does not occur consistent with the corrective action measures, the Housing Authority may terminate this Agreement or impose other penalties as specified in the Agreement.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, as determined by Housing Authority in its sole discretion, written notification will be given to the Consultant whether this Agreement will be terminated at the end of the current year or will be continued into the next Agreement year.

Section 29.0 Agreement Evaluation and Review

The ongoing assessment and monitoring of this Agreement is the responsibility of the Housing Authority's Contracting Officer or designee.

Section 30.0 Adherence to the Housing Authority's Child Support Compliance Program

Consultant acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority through this Agreement are in compliance with their court-ordered child, family and spousal obligations in order to mitigate the economic burden otherwise imposed upon taxpayers of the County.

As required by the Housing Authority's Child Support Compliance Program and without limiting Consultant's duty under this Agreement to comply with all applicable provisions of law, Consultant warrants that it is now in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District

Attorney Notices of Wages and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

Section 30.1 Termination for Breach of Warranty to Maintain Compliance with the Housing Authority's Child Support Compliance Program

Failure of Consultant to maintain compliance with the requirements set forth in Section 30.0 "Adherence to the Housing Authority's Child Support Compliance Program" shall constitute a default by Consultant under this Agreement. Without limiting the rights and remedies available to the Housing Authority under any other provision of the Agreement, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the Housing Authority's Board of Commissioners may terminate this Agreement.

Section 30.2 Post L.A.'s Most Wanted Parents List

Consultant acknowledges that the Housing Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Consultant understands that it is the Housing Authority's policy to encourage all Housing Authority consultants to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Consultant's place of business. District Attorney will supply Consultant with the poster to be used.

Section 31.0 Access and Retention of Records

Consultant shall provide access to the Housing Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Consultant which are directly pertinent to the specific Agreement for the purpose of making audits, examinations, excerpts and transcriptions. The Consultant is required to retain the aforementioned records for a period of five years after the Housing Authority pays final payment and other pending matters are closed under this Agreement.

Section 32.0 Copyright

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Consultant. All documents become the property of the Housing Authority and the Housing Authority holds all the rights to said data. The Consultant assumes no responsibility for the use of documents in whole or in part in connection with work that is outside the scope of this Agreement.

Section 33.0 Patent Rights

The Housing Authority will hold all the patent rights with respect to any discovery or invention that arises or is developed in the course of, or under this Agreement.

Section 34.0 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Consultant agrees to use recycled-content paper to the maximum extent possible on the project.

Section 35.0 Notices

Notices herein shall be presented in person or by certified or registered U.S. mail as follows:

Consultant: Walter Hamann, PG, CEG
Vice President, Environmental Services
Rincon Consultants, Inc.
790 East Santa Clara Street
Ventura, California 93001

Housing Authority:
Maria Badrakhan, Contracting Officer
The Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Section 36.0 Federal Earned Income Credit

Consultant shall notify its employees, and shall require each sub consultant to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

Section 37.0 Greater Avenues for Independence (GAIN) and GENERAL RELIEF OPPORTUNITY FOR WORK (GROW)

This Agreement is subject to the requirements of the Greater Avenues for Independence (GAIN) or General Relief Opportunity for Work (GROW) program implemented by the County of Los Angeles. Should the Consultant require additional or replacement personnel after the effective date of the Agreement, it will interview for such employment openings participants in GAIN/GROW Program who meet the firm's minimum qualifications for the open position. The County will refer GAIN/GROW participants by job category to the Consultant. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees will be given first priority.

Section 38.0 Safely Surrendered Baby Law

The Consultant shall notify and provide to its employees, and shall require each sub consultant to notify and provide to its employees, a fact sheet regarding the Safely

Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org.

The Consultant acknowledges that the Housing Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Consultant understands that it is the Housing Authority's policy to encourage all Housing Authority Consultants to voluntarily post the Housing Authority's "Safely Surrendered Baby Law" poster in a prominent position at the Consultant's place of business. The Consultant will also encourage its Sub consultants, if any, to post this poster in a prominent position in the sub consultant's place of business. The Consultant and its sub consultants can obtain posters from the Department of Children and Family Services of the County of Los Angeles.

Section 39.0 Conflict of Interest

The Consultant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Housing Authority. Upon execution of this Agreement and during its term, as appropriate, the Consultant shall, disclose in writing to the Housing Authority any other contract or employment during the term of this Agreement by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Housing Authority's interest and the interests of the third parties.

Section 40.0 Amendments

This Agreement may be modified by written amendment, duly executed by both parties.

Section 41.0 Consultant's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Consultant's to complete the Charitable Contributions Certification as included in Attachment C, the Housing Authority seeks to ensure that all Housing Authority consultant's that receive or raise charitable contributions comply with California law in order to protect the Housing Authority and its taxpayers. A Consultant that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either Agreement termination or debarment proceedings, or both.

Section 42.0 Entire Agreement

This Agreement, including the attachments listed below consists of **27** pages, which constitute the entire understanding and agreement of the parties. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the retention of the Consultant by the Housing Authority and contains all the covenants and agreements between the parties with respect to such retention.

- A. Billing Rates
B. Safely Surrendered Baby Law and Poster

[illegible]

IN WITNESS WHEREOF, the parties hereto have executed this Construction Agreement on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY
CORPORATE AND POLITIC

By:

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR

Date:

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date:

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR.

County Counsel

By:

Deputy

CONSULTANT

RINCON CONSULTANTS, INC.

BY:

Walter Hamann, PG, CEG

Title: VICE PRESIDENT
Environmental Services

Date:

BUSINESS ADDRESS

790 East Santa Clara Street

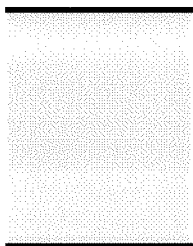
Ventura, California 93001

Telephone: (805) 641-1000

FAX: (805) 641-1072

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

**ENVIRONMENTAL ASSESSMENT AND REMEDIATION AGREEMENT
FOR
PALM APARTMENTS SENIOR HOUSING DEVELOPMENT
ELEVATORS PROJECT**

Agreement for Professional Services

Between

**The Housing Authority
of the County of Los Angeles**

And

RINCON CONSULTANTS, INC.

TABLE OF CONTENTS

SECTION 1.0 RECITAL	4
SECTION 2.0 PURPOSE	4
SECTION 3.0 TERM.....	4
SECTION 4.0 CONSULTANT RESPONSIBILITIES	4
SECTION 4.1 SCOPE OF WORK	4
SECTION 4.2 STANDARD OF CARE.....	5
SECTION 4.3 REPRODUCTION OF FINAL DOCUMENTS	5
SECTION 4.4 CHANGES REQUIRED	5
SECTION 4.5 PROJECT SCHEDULE	5
SECTION 5.0 CONSULTANT'S PERSONNEL AND SUB CONSULTANTS	5
SECTION 5.1 INDEPENDENT CONSULTANT	6
SECTION 5.2 SUCCESSOR AND ASSIGNMENT	6
SECTION 5.3 EMPLOYEES OF CONSULTANT	6
SECTION 5.4 SUBCONTRACTING.....	7
SECTION 6.0 RESPONSIBILITIES OF THE HOUSING AUTHORITY	7
SECTION 7.0 RELEASE OF NEWS INFORMATION	8
SECTION 8.0 CONFIDENTIALITY OF REPORTS.....	8
SECTION 9.0 COMPENSATION; AGREEMENT TYPE AND PAYMENT – NOT-TO-EXCEED.....	8
SECTION 10.0 COMPENSATION ADJUSTMENTS	8
SECTION 11.0 NOTICE TO PROCEED	9
SECTION 12.0 PAYMENT SCHEDULE	9
SECTION 13.0 SOURCE AND APPROPRIATION OF FUNDS.....	9
SECTION 14.0 CONFLICT OF INTEREST.....	9
SECTION 15.0 THE HOUSING AUTHORITY OWNERSHIP OF DOCUMENTS.....	10
SECTION 16.0 INDEMNIFICATION	10
SECTION 17.0 INSURANCE	10
SECTION 18.0 COMPLIANCE WITH LAWS.....	12
SECTION 19.0 SUSPENSION AND TERMINATION	13
SECTION 19.1 SUSPENSION	13
SECTION 19.2 TERMINATION FOR CONVENIENCE OF THE HOUSING AUTHORITY	14
SECTION 19.3 TERMINATION FOR CAUSE AND / OR DEFAULT	15
SECTION 19.4 TERMINATION FOR IMPROPER CONSIDERATION	16
SECTION 19.5 CONSULTANT RESPONSIBILITY AND DEBARMENT	16
SECTION 20.0 REMEDIES	17
SECTION 21.0 COMPLIANCE WITH JURY SERVICE PROGRAM.....	17

SECTION 22.0 CERTIFICATION REGARDING LOBBYING.....	18
SECTION 23.0 SAFETY STANDARDS AND ACCIDENT PREVENTION.....	19
SECTION 24.0 DRUG FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA.....	19
SECTION 25.0 SEVERABILITY	19
SECTION 26.0 INTERPRETATION	19
SECTION 27.0 WAIVER	19
SECTION 28.0 HOUSING AUTHORITY'S QUALITY ASSURANCE PLAN.....	20
SECTION 29.0 AGREEMENT EVALUATION AND REVIEW	20
SECTION 30.0 ADHERENCE TO THE HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM 20	
SECTION 30.1 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH THE HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM	21
SECTION 30.2 POST L.A.'S MOST WANTED PARENTS LIST.....	21
SECTION 31.0 ACCESS AND RETENTION OF RECORDS.....	21
SECTION 32.0 COPYRIGHT	21
SECTION 33.0 PATENT RIGHTS.....	22
SECTION 34.0 USE OF RECYCLED-CONTENT PAPER PRODUCTS.....	22
SECTION 35.0 NOTICES.....	22
SECTION 36.0 FEDERAL EARNED INCOME CREDIT	22
SECTION 37.0 GREATER AVENUES FOR INDEPENDENCE (GAIN) AND GENERAL RELIEF OPPORTUNITY FOR WORK (GROW).....	22
SECTION 38.0 SAFELY SURRENDERED BABY LAW	23
SECTION 39.0 CONFLICT OF INTEREST.....	23
SECTION 40.0 AMENDMENTS.....	23
SECTION 42.0 ENTIRE AGREEMENT	24
ATTACHMENT B – SAFELY SURRENDERED BABY LAW AND POSTER.....	26

Section 1.0 Recital

This Agreement is made and entered into this _____ day of April 2008 by and between the Housing Authority of the County of Los Angeles, hereinafter called "**Housing Authority**" and Rincon Consultants, Inc., hereinafter called "**Consultant**."

Section 2.0 Purpose

The purpose of this Agreement is to allow the Housing Authority to retain the services of this Consultant for environmental assessment, remediation and other related services in conjunction with the modernization of two elevators at the Palm Apartments Senior Housing Development as consultant to Housing Authority, Construction Management Division. The project is located at 959 N. Palm Avenue, West Hollywood, CA. 90069 in the unincorporated areas of Los Angeles County.

Section 3.0 Term

This Agreement shall commence as of the day and year first above written and shall remain in full force for a two (2) year duration, with the option to renew for one (1) additional year, unless sooner terminated or extended in writing as provided herein. A performance review shall be conducted no later than 90 days prior to the end of the first and second years of the agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, written notification will be given to the Consultant whether the agreement will be terminated at the end of the current year or will be continued into the next contract year.

Section 4.0 Consultant Responsibilities

Upon the request of the Housing Authority's Contracting Officer or designee, which may include the Director of the Construction Management Division, the Consultant shall complete the work program described in this Agreement. The Consultant agrees that all work performed by the Consultant will be the sole responsibility of the Consultant. The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its poor workmanship, including items which are not in compliance with federal, state, county or city laws, regulations and guidelines will be the sole responsibility of the Consultant.

Section 4.1 Scope of Work

The purpose of this Agreement is to allow the Owner to retain the services of the Consultant for the full range of environmental assessment, remediation and other related services described in this Agreement.

Section 4.2 Standard of Care

The Consultant represents, covenants, and agrees that all of the services to be furnished by the Consultant under or pursuant to this Agreement, from the inception of this Agreement until the Project has been fully completed, shall be of a standard and quality that prevails among highly qualified and competent environmental services in the Southern California area under the same or similar circumstances involving the design and construction of a project having characteristics that are similar to the Project (including without limitation, public nature, comparable scope, quality and schedule ["Professional Standard"]). Consultant accepts the special relationship of trust and confidence established between it and the Housing Authority by this Agreement. Consultant covenants to design the Project, produce the necessary Construction Documents, provide the necessary services, and to further the interests of the Housing Authority in accordance with the Housing Authority's requirements and procedures, and in compliance with all applicable restrictions, laws, codes, and regulations in effect throughout the period that Consultant is performing services under this Agreement.

The Consultant shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications, and other services furnished by the Consultant under this Agreement. The Consultant shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, and other services that do not meet the Professional Standard.

Section 4.3 Reproduction of Final Documents

The Consultant shall provide two (2) sets of blueprints, specifications, estimates, etc. when such documents are required, to the Housing Authority at all submittal phases including such sets as may be required for plan check agencies and (one) 1 complete set of approved, reproducible construction documents to be delivered for construction solicitation purposes. The cost of reproducing these documents is included in the Consultant's basic fee.

Section 4.4 Changes Required

The Consultant shall promptly make all changes in any construction solicitation documents produced by the Consultant necessary to obtain approval of any oversight agencies without additional compensation or reimbursement. The Consultant shall make all reasonably requested changes in the drawings and specifications based upon the Housing Authority's review of the progress submittals

Section 4.5 Project Schedule

Consultant shall work in accordance with the Project Schedule established in the Notice to Proceed under this Agreement.

Section 5.0 Consultant's Personnel and Sub consultants

The Consultant's employees and subconsultants identified below are considered essential to the Agreement work effort. Prior to diverting or substituting any of the specified individuals, the Consultant shall notify the Contracting Officer reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the Agreement. The Consultant shall make no diversion or substitution of key personnel without the prior written consent of the Contracting Officer.

Employees: Rincon Consultants, Inc.

Walter Hamann, PG, CEG

Vice President, Environmental Services

Section 5.1 Independent Consultant

The Consultant shall perform the services as contained herein as an independent consultant and shall not be considered an employee of the Housing Authority or under the Housing Authority supervision or control. This Agreement is by and between the Consultant and the Housing Authority, and is not intended, and shall not be construed, to create the relationship of agent, employee, or joint venture, between the Housing Authority and the Consultant.

The Consultant agrees that any claims, liability, damage, or lawsuits resulting from its negligence, including items that are not in compliance with federal, state, or local codes, regulations and laws, will be the sole responsibility of the Consultant.

If the Consultant is comprised of more than one legal entity, each such entity shall be jointly and severally liable and responsible hereunder.

Section 5.2 Successor and Assignment

The services as contained herein are to be rendered by the Consultant whose name is as appears first above written and said Consultant shall not assign nor transfer any interest in this Agreement without the prior written consent of the Housing Authority. However, the Housing Authority reserves the right to assign this Agreement to another public agency without the consent of the Consultant.

Section 5.3 Employees of Consultant

Workers' Compensation: Consultant understands and agrees that all persons furnishing services to the Housing Authority pursuant to this Agreement are, for the purpose of workers' compensation liability, employees solely of Consultant. Consultant shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the Housing Authority under this Agreement.

Professional Conduct: The Housing Authority does not and will not condone any act, gestures, comments or conduct from the Consultant's employees, agents or sub consultants which may be construed as sexual harassment or any other type of activity

or behavior that might be construed as harassment. The Housing Authority will properly investigate all charges of harassment by residents, employees or agents of the Housing Authority against any and all Consultant's employees, agents or sub consultants providing services for the Housing Authority. The Consultant assumes all liability for the actions of the Consultant's employees, agents or sub consultants and is responsible for taking appropriate action after the Consultant receives reports of harassment.

Section 5.4 Subcontracting

The Consultant may subcontract only those specific portions of work allowed in the original specifications covered by this Agreement. The Consultant shall not subcontract any part of work covered by this Agreement or permit subcontracted work to be further subcontracted without prior written approval by the Housing Authority.

Section 6.0 Responsibilities of the Housing Authority

- a. The Housing Authority shall provide all necessary information regarding its requirements as expeditiously as necessary for the orderly progress of the work.
- b. The Housing Authority shall designate the representative authorized to act in its behalf with respect to the Project. The Housing Authority or its representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.
- c. Housing Authority's designated representative authorized to act in its behalf with respect to the Project shall be:

Maria Badrakhan, Contracting Officer
The Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

- d. The Housing Authority's representative shall examine documents submitted by the Consultant and shall promptly render decisions pertaining thereto to avoid unreasonable delay in the progress of the Consultant's Work.
- e. The Housing Authority shall provide the Consultant with any plans, publications, reports, statistics, records or other data or information pertinent to the services to be provided hereunder which are reasonably available to the Housing Authority. However, their accuracy cannot be guaranteed. These drawings, plans, publications, reports, statistics, records or other data or information supplied by the Housing Authority are the proprietary and confidential property of the Housing Authority and cannot be transferred or used by the Consultant for any other purpose. The Consultant agrees to safeguard and return this property to the Housing Authority upon completion of the project.

- f. The Housing Authority shall also work with the Consultant to discover existing site conditions that may affect the order, progress, and cost of the work.
- g. The Housing Authority shall provide information on any previously obtained waivers of local codes, ordinances, or regulations or standards affecting the design of the Project.

Section 7.0 Release of News Information

No news releases, including photographs, public announcements or confirmation of same, of any part of the subject matter of this Agreement or any phase of any program hereunder shall be made without prior written approval of the Housing Authority's Executive Director or designee.

Section 8.0 Confidentiality of Reports

The Consultant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Housing Authority.

Section 9.0 Compensation; Agreement Type and Payment – not-to-exceed

The Consultant shall be paid as full compensation for the work required, performed, and accepted under this Agreement, inclusive of all costs and expenses, the maximum, not-to-exceed price of **EIGHTY THOUSAND DOLLARS AND ZERO CENTS \$80,000.00** as per the rates described in the Breakdown Fee Schedule, Attachment A, attached hereto and incorporated herein. These amounts include the cost of all services including those of the sub consultants identified in Section 5.0, above.

Additionally, any Agreement amendment or combination of amendments that might result in a total adjusted Agreement sum of Fifty Thousand Dollars (\$50,000) or above per calendar year must first be approved by the to the Board of Commissioners of the Housing Authority.

SECTION 10.0 Compensation Adjustments

There shall be no adjustments to compensation except as authorized by amendment as specified in Section 40.0, Amendments. Changes in compensation shall only be adjusted by amendment as a result of changes in the Scope of Work. All costs of the Work and other costs, fees, or expenses, of any kind, in excess of the compensation as specified in this Agreement, and as adjusted by amendment, shall be borne solely by Consultant, without reimbursement by the Housing Authority.

SECTION 11.0 Notice to Proceed

The Consultant will perform services for each phase upon receipt of a written Notice to Proceed from the Housing Authority. The Consultant will only perform the scope of work for the phase(s) identified in the Notice to Proceed.

Section 12.0 Payment Schedule

The Consultant shall submit invoices for compensation for each phase of the scope of services, in a format approved by Housing Authority, depicting a detailed, itemized list of actual work completed and total amount due, on a monthly basis. Said compensation shall be considered full and complete reimbursement for all of the Consultant's costs associated with the services provided hereunder, including all indirect costs, overhead, and insurance premiums.

Consultant shall have no claim against the Housing Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Consultant after the expiration or other termination of this Agreement. Should Consultant receive any such payment, it shall immediately notify the Housing Authority and shall immediately repay all such funds to the Housing Authority. Payment by the Housing Authority for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the Housing Authority's right to recover such payment from Consultant.

Section 13.0 Source and Appropriation of Funds

The Housing Authority's obligation is payable only and solely from funds appropriated through the United States Department of Housing and Urban Development (HUD) and for the purpose of this Agreement. All funds are appropriated every fiscal year beginning July 1. In the event this Agreement extends into the succeeding fiscal year and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the current fiscal year. The Housing Authority will notify the Consultant in writing within ten days of receipt of non-appropriation notice. Consultant shall be entitled to payment for all work completed through date of receipt of said notice.

Section 14.0 Conflict of Interest

The Consultant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any Agreement, subcontract or arrangement with the Housing Authority. Upon execution of this Agreement and during its term, as appropriate, the Consultant shall, upon written request, disclose in writing to the Housing Authority any other contractual or employment arrangement from which it receives compensation. The Consultant agrees not to accept any employment during the term of this Agreement by any other person, business or corporation which employment will or may likely

develop a conflict of interest between the Housing Authority's interests and the interest of third parties.

Section 15.0 The Housing Authority Ownership of Documents

All drawings and specifications prepared and furnished by the Consultant shall become the property of the Housing Authority upon their approval in writing by the Housing Authority or upon the prior termination of the Consultant's services hereunder, and the Consultant shall have no claim of any kind, including without limitation, for further employment or additional compensation as a result of exercise by the Housing Authority of its full rights of ownership and use of these documents and materials. The Consultant shall retain a record copy for its own files.

Section 16.0 Indemnification

Consultant shall indemnify, defend and hold harmless the Housing Authority of the County of Los Angeles ("Housing Authority"), the Community Development Commission of the County of Los Angeles (Commission) The County of Los Angeles ("County") and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Consultant's acts and/or omissions arising from and/or relating to this Agreement.

Section 17.0 Insurance

The Consultant shall procure and maintain at Consultant's expense for the duration of this Agreement the following insurance against which may arise from or in connection with the performance of the work by the consultant, its agents, representatives, employees or sub consultants, from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A:VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval in writing by the Housing Authority.

The consultant shall furnish the Housing Authority with certificates of insurance and with original endorsements affecting coverage as required herein and which reflect the Housing Authority of the County of Los Angeles, the Community Development Commission of the County of Los Angeles, The County of Los Angeles's status as additional insureds as required below. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$1,000,000
Each Occurrence	\$1,000,000

The Housing Authority of the County of Los Angeles, The Community Development Commission of the County of Los Angeles, The County of Los Angeles, their officials, agents, and employees shall be covered as additional insureds with respect to: liability arising out of activities performed by or on behalf of the consultant; products and completed operations of the consultant; premises owned, leased or used by the consultant.

- B. PROFESSIONAL LIABILITY INSURANCE (errors and omissions) in an amount not less than One Million Dollars (\$1,000,000) aggregate per claim.
- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each incident. Such insurance shall include coverage of all "owned," "hired" and "non-owned" vehicles, or coverage for "any auto."
- D. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-policy limit	\$1,000,000
Disease-each employee	\$1,000,000

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, except after thirty (30) days' prior written notice to the Housing Authority, and shall be primary and not contributing to any other insurance or self-insurance maintained by the Housing Authority.

The Housing Authority reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements here in shall only be made with the written approval of the Housing Authority's Risk Manager or designee.

Any self-insurance program and self-insured retention must be separately approved in writing by the Housing Authority.

All coverage for sub consultants shall be subject to the requirements stated herein and shall be maintained at no expense to the Authority.

Failure on the part of the Firm to procure or maintain insurance required by this Agreement shall constitute a material breach of Agreement upon which the Authority may immediately terminate this Agreement.

Section 18.0 Compliance with Laws

The Consultant agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Agreement is in excess of \$100,000 then Consultant shall comply with applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 18579h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Consultant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

During the performance of the Agreement, the Consultant agrees to comply with the following federal provisions:

Executive Order 11246 and 11375 Equal Opportunity (Non-Discrimination in Employment by Government Consultants, Sub consultants, and Consultants)

During the performance of this Agreement, the Consultant agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, religion, sex, color or national origin. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Consultant setting forth the provisions of this non-discrimination clause.

The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Consultant will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other Agreement or understanding, a notice, which is to be provided to the agency contracting officer, advising the labor union or worker's representative of the Consultant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Consultant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Consultant will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. In the event of the Consultant's noncompliance with the nondiscrimination clauses of the Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order, and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Consultant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each sub consultant or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Consultant becomes involved in, or is threatened with litigation with a sub consultant or vendor as result of such direction by the contracting agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

Under Title VI of the Civil Rights Act of 1964, and Section 109 of the Housing and Community Development Act of 1974, no person shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 19.0 Suspension and Termination

Section 19.1 Suspension

19.1.1 The Housing Authority, at its convenience, and without further liability except as herein specified, may suspend this Agreement, in whole or in part, by written notice personally delivered to Consultant specifying the effective date and extent of the suspension.

- 19.1.2 Consultant shall immediately discontinue all services unless otherwise indicated by the Housing Authority Contracting Officer.
- 19.1.3 Upon request of the Housing Authority Contracting Officer, Consultant shall surrender within ten (10) days from receipt of said notice, all drawings, designs, specifications, notes, data, reports, estimates, summaries, or other information relative to the Project, whether complete or in progress, as may have been accumulated by Consultant.
- 19.1.4 In the event the entire Agreement is suspended, the Housing Authority shall pay Consultant reasonable demobilization expenses subject to the Housing Authority's rights of set-off, recoupment and withholding. Demobilization expenses are expenses directly attributable to temporarily suspending the work in progress, including the reasonable cost of suspending any commitments for services not yet complete. The Housing Authority shall not be liable for demobilization expenses if only a portion of the Agreement is suspended.
- 19.1.5 In the event the entire Agreement is suspended and Consultant is directed to remobilize within one calendar year of the effective date of the suspension, the Housing Authority shall pay remobilization expenses directly attributable to restarting services hereunder and, at Consultant's option, Consultant and the Housing Authority shall negotiate Consultant's fees for services remaining under this Agreement. If no agreement as to expenses and fees can be reached, this Agreement may be terminated for the Housing Authority's convenience.
- 19.1.6 In the event the entire Agreement is suspended and the period of suspension exceeds one calendar year, this Agreement may be deemed terminated for the convenience of the Housing Authority upon written notice to the Consultant.

Section 19.2 Termination for Convenience of the Housing Authority

- a. The Housing Authority reserves the right to cancel this Agreement in whole or in part for any reason at all upon ten (10) days prior written notice to Consultant. In the event of such termination, Consultant shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination. In no case shall payment exceed that amount stipulated elsewhere herein for completion of the respective portion or phase of the project. The Housing Authority will pay Consultant termination expenses subject to the Housing Authority's rights of recoupment, set-off and withholding.
- b. Consultant shall surrender and deliver to the Contracting Officer, to the extent requested by Contracting Officer, within ten (10) days from receipt of said

request all data, reports, estimates, summaries, designs, drawings, specifications, notes, and other work and data developed in the performance of this Agreement, whether complete or in process, as may have been accumulated by Consultant.

- c. The Housing Authority may take over the work and services, and prosecute the same to completion by Agreement or otherwise. Consultant shall not be liable to the Housing Authority for any excess costs incurred by the Housing Authority in completing the scope of work of this Agreement.
- d. Consultant shall assign the contracts of its consultants and/or their sub consultants to the Housing Authority, to the extent requested by the Housing Authority.

Section 19.3 Termination for Cause and / or Default

This Agreement may be terminated by the Housing Authority upon **10 days'** written notice to the Consultant for cause and/or default (failure to perform satisfactorily any of the Agreement terms, conditions and work items) with no penalties incurred upon termination or upon the occurrence of any of the following events:

- A. Continuing failure of the Consultant to perform any work required to be performed hereunder in a timely and professional manner, or Consultant is not properly carrying out the provisions of the Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Consultant; and should the Consultant neglect or refuse to provide a means for a satisfactory compliance with this Agreement and with the direction of the Housing Authority within the time specified in such notices, the Housing Authority shall have the power to suspend the performance of this Agreement by Consultant in whole or in part.
- B. Should the Consultant fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than five (5) days by the Consultant, then notice of deficiency thereof in writing may be served upon Consultant by the Housing Authority. Should the Consultant fail to comply with the terms of this Agreement within five (5) days thereafter, upon receipt of said written notice of deficiency, the Executive Director of the Housing Authority shall have the power to suspend or terminate the operations of the Consultant in whole or in part.
- C. Failure on the part of the Consultant to procure or maintain insurance required by this Agreement shall constitute a material breach of Agreement upon which the Housing Authority may immediately terminate this Agreement.
- D. In the event that a petition of bankruptcy shall be filed by or against the Consultant.

- E. If, through any cause, the Consultant shall fail to fulfill in timely and proper manner the obligations under this Agreement, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Agreement, the Housing Authority shall thereupon have the right to terminate this Agreement by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, with respect to all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant under this Agreement, Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed, subject to the Housing Authority's rights of recoupment, cut-off, and withholding.

Section 19.4 Termination for Improper Consideration

The Housing Authority may, by written notice to Consultant, immediately terminate the right of Consultant to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Consultant, either directly or through an intermediary, to any Housing Authority officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Consultant's performance pursuant to the Agreement. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against Consultant as it could pursue in the event of termination for cause and / or default by the Consultant.

Consultant shall immediately report any attempt by the Housing Authority officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Housing Authority.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

Section 19.5 Consultant Responsibility and Debarment

A responsible Consultant is a Consultant who has demonstrated the attribute of trustworthiness, as well as fitness, capacity and experience to satisfactorily perform the Agreement. It is the policy of the Housing Authority to conduct business only with responsible consultants.

The Consultant is hereby notified that, if the Housing Authority acquires information concerning the performance of the Consultant on this or other Agreements which indicated that the Consultant is not responsible, the Housing Authority may, in addition to other remedies provided in the Agreement, debar the Consultant from bidding on Housing Authority contracts for a specified period of time not to exceed 3 years, and terminate any or all existing Agreements the Consultant may have with the Housing Authority.

The Housing Authority may debar a consultant if the Board of Commissioners finds, in its discretion, that the Consultant has done any of the following: (1) violated any term of a contract with the Housing Authority, (2) committed any act or omission which negatively reflects on the Consultant's quality, fitness or capacity to perform a contract with the Housing Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or the Housing Authority or any other public entity.

If there is evidence that the Consultant may be subject to debarment, the Housing Authority will notify the Consultant in writing of the evidence, which is the basis for the proposed debarment and will advise the Consultant of the scheduled date for a debarment hearing before the Consultant Hearing Board.

The Consultant hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Consultant and/or the Consultant's representative shall be given an opportunity to submit evidence at the hearing. After the hearing, the Consultant Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the consultant should be debarred, and, if so, the appropriate length of time of the debarment. If the Consultant fails to avail itself of the opportunity to submit evidence to the Consultant Hearing Board, the Consultant may be deemed to have waived all rights of appeal.

A record of the hearing, the proposed decision and any other recommendation of the Consultant hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board. These terms shall also apply to sub consultants of the Consultant.

Section 20.0 Remedies

- a. The rights and remedies of the Housing Authority provided for under this Agreement are in addition to any other rights and remedies provided by law.
- b. The Housing Authority may assert, either during or after performance of this Agreement any right of recovery it may have against Consultant by any means it deems appropriate including, but not limited to, set-off, action at law, withholding, recoupment, or counterclaim.
- c. The rights and remedies of the Housing Authority under this Agreement are in addition to any right or remedy provided by California law.

Section 21.0 Compliance with Jury Service Program

Unless Consultant has demonstrated to the Housing Authority's satisfaction either that Consultant is not a "Consultant" as defined under the Jury Service Program or that Consultant qualifies for an exception to the Jury Service Program, Consultant shall have and adhere to a written policy that provides that its employees shall receive from the

Consultant, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Consultant or that the Consultant deduct from the employee's regular pay the fees received for jury service.

For purposes of this Section, "Consultant" means a person, partnership, corporation or other entity which has a contract with the Housing Authority or a subcontract with a Housing Authority Consultant and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Housing Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Consultant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Housing Authority, or 2) Consultant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Consultant uses any sub consultant to perform services for the Housing Authority under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

If Consultant is not required to comply with the Jury Service Program when the Agreement commences, Consultant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Consultant shall immediately notify the Housing Authority if Consultant at any time either comes within the Jury Service Program's definition of "Consultant" or if Consultant no longer qualifies for an exception to the Program. In either event, Consultant shall immediately implement a written policy consistent with the Jury Service Program. The Housing Authority may also require, at any time during the Agreement and at its sole discretion, that Consultant demonstrate to the Housing Authority's satisfaction that Consultant either continues to remain outside of the Jury Service Program's definition of "Consultant" and/or that Consultant continues to qualify for an exception to the Program.

Consultant's violation of this Section of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, the Housing Authority may, in its sole discretion, terminate the Agreement and/or bar Consultant from the award of future Housing Authority contracts for a period of time consistent with the seriousness of the breach.

Section 22.0 Certification Regarding Lobbying

Consultant is prohibited by the Department of the Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 Code of the Federal Regulations (CFR) 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal agreement, the making of any

Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification of said documents.

The Consultant must certify in writing that it is familiar with the Federal Lobbyist Requirements and that all persons and/or sub consultants acting on behalf of the Consultant will comply with the Lobbyist Requirements. The signed County and Federal Lobbyist Certifications submitted with the Agreement are incorporated herein.

Failure on the part of the Consultant or persons/sub consultants acting on behalf of the Consultant to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

Section 23.0 Safety Standards and Accident Prevention

The Consultant shall comply with applicable Federal, state and local laws governing safety, health and sanitation. The Consultant shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

Section 24.0 Drug Free Workplace Act of the State of California

The Consultant certifies under penalty of perjury under the laws of the State of California that the Consultant will comply with the requirements of the Drug-Free Workplace Act of 1990.

Section 25.0 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

Section 26.0 Interpretation

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if it were drafted by both parties hereto.

Section 27.0 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

Neither the Housing Authority's review, approval or acceptance of, nor payment for, the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the Consultant shall be and remain liable to the Housing Authority in accordance with applicable law for all damages to Housing Authority caused by the Consultant's negligent performance of any of the services furnished under this Agreement.

Section 28.0 Housing Authority's Quality Assurance Plan

The Housing Authority or its agent will evaluate Consultant's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Consultant's compliance with all Agreement terms and performance standards. Consultant deficiencies which the Housing Authority determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Housing Authority and Consultant. If improvement does not occur consistent with the corrective action measures, the Housing Authority may terminate this Agreement or impose other penalties as specified in the Agreement.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Agreement to evaluate the performance of the Consultant. Based on the assessment of the performance review, as determined by Housing Authority in its sole discretion, written notification will be given to the Consultant whether this Agreement will be terminated at the end of the current year or will be continued into the next Agreement year.

Section 29.0 Agreement Evaluation and Review

The ongoing assessment and monitoring of this Agreement is the responsibility of the Housing Authority's Contracting Officer or designee.

Section 30.0 Adherence to the Housing Authority's Child Support Compliance Program

Consultant acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority through this Agreement are in compliance with their court-ordered child, family and spousal obligations in order to mitigate the economic burden otherwise imposed upon taxpayers of the County.

As required by the Housing Authority's Child Support Compliance Program and without limiting Consultant's duty under this Agreement to comply with all applicable provisions

of law, Consultant warrants that it is now in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wages and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

Section 30.1 Termination for Breach of Warranty to Maintain Compliance with the Housing Authority's Child Support Compliance Program

Failure of Consultant to maintain compliance with the requirements set forth in Section 30.0 "Adherence to the Housing Authority's Child Support Compliance Program" shall constitute a default by Consultant under this Agreement. Without limiting the rights and remedies available to the Housing Authority under any other provision of the Agreement, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the Housing Authority's Board of Commissioners may terminate this Agreement.

Section 30.2 Post L.A.'s Most Wanted Parents List

Consultant acknowledges that the Housing Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Consultant understands that it is the Housing Authority's policy to encourage all Housing Authority consultants to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Consultant's place of business. District Attorney will supply Consultant with the poster to be used.

Section 31.0 Access and Retention of Records

Consultant shall provide access to the Housing Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Consultant which are directly pertinent to the specific Agreement for the purpose of making audits, examinations, excerpts and transcriptions. The Consultant is required to retain the aforementioned records for a period of five years after the Housing Authority pays final payment and other pending matters are closed under this Agreement.

Section 32.0 Copyright

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Consultant. All documents become the property of the Housing Authority and the Housing Authority holds all the rights to said data. The Consultant assumes no responsibility for the use of documents in whole or in part in connection with work that is outside the scope of this Agreement.

Section 33.0 Patent Rights

The Housing Authority will hold all the patent rights with respect to any discovery or invention that arises or is developed in the course of, or under this Agreement.

Section 34.0 Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Consultant agrees to use recycled-content paper to the maximum extent possible on the project.

Section 35.0 Notices

Notices herein shall be presented in person or by certified or registered U.S. mail as follows:

Consultant: Walter Hamann, PG, CEG
Vice President, Environmental Services
Rincon Consultants, Inc.
790 East Santa Clara Street
Ventura, California 93001

Housing Authority:
Maria Badrakhan, Contracting Officer
The Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Section 36.0 Federal Earned Income Credit

Consultant shall notify its employees, and shall require each sub consultant to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

Section 37.0 Greater Avenues for Independence (GAIN) and GENERAL RELIEF OPPORTUNITY FOR WORK (GROW)

This Agreement is subject to the requirements of the Greater Avenues for Independence (GAIN) or General Relief Opportunity for Work (GROW) program implemented by the County of Los Angeles. Should the Consultant require additional or replacement personnel after the effective date of the Agreement, it will interview for such employment openings participants in GAIN/GROW Program who meet the firm's minimum qualifications for the open position. The County will refer GAIN/GROW participants by job category to the Consultant. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees will be given first priority.

Section 38.0 Safely Surrendered Baby Law

The Consultant shall notify and provide to its employees, and shall require each sub consultant to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org.

The Consultant acknowledges that the Housing Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Consultant understands that it is the Housing Authority's policy to encourage all Housing Authority Consultants to voluntarily post the Housing Authority's "Safely Surrendered Baby Law" poster in a prominent position at the Consultant's place of business. The Consultant will also encourage its Sub consultants, if any, to post this poster in a prominent position in the sub consultant's place of business. The Consultant and its sub consultants can obtain posters from the Department of Children and Family Services of the County of Los Angeles.

Section 39.0 Conflict of Interest

The Consultant represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Housing Authority. Upon execution of this Agreement and during its term, as appropriate, the Consultant shall, disclose in writing to the Housing Authority any other contract or employment during the term of this Agreement by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Housing Authority's interest and the interests of the third parties.

Section 40.0 Amendments

This Agreement may be modified by written amendment, duly executed by both parties.

Section 41.0 Consultant's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Consultant's to complete the Charitable Contributions Certification as included in Attachment C, the Housing Authority seeks to ensure that all Housing Authority consultant's that receive or raise charitable contributions comply with California law in order to protect the Housing Authority and its taxpayers. A Consultant that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment

proceedings, or both.

Section 42.0 Entire Agreement

This Agreement, including the attachments listed below consists of **27** pages, which constitute the entire understanding and agreement of the parties. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the retention of the Consultant by the Housing Authority and contains all the covenants and agreements between the parties with respect to such retention.

- A. Billing Rates
B. Safely Surrendered Baby Law and Poster

[illegible]

//Signature page

IN WITNESS WHEREOF, the parties hereto have executed this Construction Agreement on the date and year first written above.

OWNER

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES, A BODY
CORPORATE AND POLITIC

By: _____

CARLOS JACKSON

Title: EXECUTIVE DIRECTOR

Date: _____

APPROVED AS TO PROGRAM:

MARIA BADRAKHAN

Title: CONTRACTING OFFICER

Date: _____

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR.

County Counsel

By: _____

Deputy

CONSULTANT

RINCON CONSULTANTS, INC.

BY: _____

Walter Hamann, PG, CEG

Title: VICE PRESIDENT
Environmental Services

Date: _____

BUSINESS ADDRESS

790 East Santa Clara Street

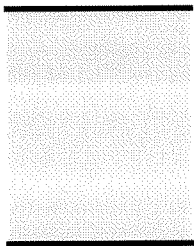
Ventura, California 93001

Telephone: (805) 641-1000

FAX: (805) 641-1072

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.